

INFORMATION MEMORANDUM dated 20th May, 2011

AMANAH CERTIFICATES ISSUANCE PROGRAMME LIMITED

(incorporated with limited liability in the Cayman Islands under company registration number MC-253806)

U.S.\$50,000,000,000

Trust Certificate Issuance Programme

Amanah Certificates Issuance Programme Limited (in its capacity as issuer, the "**Issuer**" and, in its capacity as trustee, the "**Trustee**") may from time to time issue *Shari'a* compliant trust certificates ("Certificates") under its U.S.\$50,000,000,000 Trust Certificate Issuance Programme (the "**Programme**"). Certificates will be issued to the Dealer specified below, and any additional dealer appointed under the Programme from time to time, which appointment may be for a specific Series of Certificates or on an ongoing basis. Each Series of Certificates may be denominated in any currency agreed between the Issuer and any relevant dealer(s) (each a "**Dealer**" and together the "**Dealers**") as specified in the Issue Terms, the initial Dealer in respect of the Programme being HSBC Bank plc.

The maximum aggregate face amount of all Certificates from time to time outstanding will not exceed U.S.\$50,000,000,000 (or its equivalent in other currencies), subject to increase from time to time.

Application has been made to the Irish Stock Exchange for the Certificates issued under the Programme to be admitted to listing on its Official List and trading on its Global Exchange Market. Certificates may be listed or admitted to trading, as the case may be, on such other stock exchange(s) or market(s) as may be specified in the Issue Terms. The Issue Terms will specify whether or not Certificates will be traded on the Global Exchange Market of the Irish Stock Exchange.

Certificates may be issued in bearer or registered form and may be represented by one or more Global Certificates, in each case as specified in the relevant Issue Terms.

Each Series of Certificates issued under the Programme will be constituted by a trust instrument (the "**Trust Instrument**") entered into between, *inter alios*, the Issuer, the Trustee and a delegate of the Trustee (the "**Delegate**") in relation to such Series dated on or around the issue date of such Series.

Certificates of each Series confer on the holders from time to time thereof (the "**Certificateholders**") the right to receive certain payments (as more particularly described herein) which may be fixed amounts or amounts determined by reference to one or more variables including, but not limited to, a share or a basket of shares, a commodity or a basket of commodities, an index or a basket of indices, a rate of exchange or a basket of rates of exchange, mutual funds, property or exchange traded funds (in each case as specified in the relevant Issue Terms and subject to the approval of the *Shari'a* Board (as defined below)). Such payments shall be funded by monies arising out of the Issuer's rights, title, interest and benefit, present and future, in, to and under a *Shari'a* Contract entered into, provided or accepted (as the case may be) by the Issuer in respect of the relevant Series (being, together with the Issuer's rights under the Transaction Documents, all proceeds thereof and the Underlying Assets related to the relevant Series, the "**Trust Assets**" for the relevant Series), in respect of which the Trustee will declare a trust in favour of the Certificateholders of the relevant Series (the "**Trust**").

The *Shari'a* Contract relating to each Series may consist of *Wa'ds* or such other *Shari'a* compliant contract or combination of *Shari'a* compliant contracts as specified in the relevant Issue Terms. Where the *Shari'a* Contract consists of *Wa'ds*, these will be a unilateral promise to sell and a unilateral promise to purchase Underlying Assets for a specified price at a future date. See further "**Structure Diagrams and Summary Cash Flows**".

The Underlying Assets in respect of a Series of Certificates shall comprise *Shari'a* compliant assets acquired by the Issuer for the purpose of performing its obligations under the *Shari'a* Contract.

Claims of the Certificateholders and the Counterparty of each Series will be limited in recourse to the Trust Assets relating to such Series.

Prospective investors should be aware of the risks involved in investing in the Certificates (see "Risk Factors**" on page 6 and, where applicable, the relevant Supplemental Information Memorandum).**

The Certificates have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and may include Certificates in bearer form that are subject to U.S. tax law requirements. Consequently, the Certificates may not be offered or sold within the United States (as defined in Regulation S under the Securities Act ("**Regulation S**")) or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, Certificates may be offered or sold solely to persons who are not U.S. Persons outside the United States in reliance on Regulation S. Each subscriber of the Certificates is hereby notified that the offer and sale of Certificates to it is being made in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S.

Arranger and Dealer
HSBC Bank plc

The date of this Information Memorandum is 20th May, 2011.

Capitalised terms used in this Information Memorandum shall have the meanings given to them in this Information Memorandum (which are defined on the relevant page(s) of this Information Memorandum as set out in "***Index of Defined Terms***") or, as the case may be, in the relevant Supplemental Information Memorandum or the relevant Issue Terms.

This Information Memorandum has been prepared for the purpose of providing information with regard to the Issuer and the Certificates. The Issuer accepts responsibility for the information contained in this Information Memorandum. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Information Memorandum should be read in conjunction with the relevant Supplemental Information Memorandum (if any) and the relevant Issue Terms setting out the specific terms for each Series of Certificates, and references herein to the "**Information Memorandum**" shall be construed accordingly.

Neither the Delegate nor any Dealer has or will have separately verified the information contained herein or in any Supplemental Information Memorandum (if any). Accordingly, no representation, warranty or undertaking, express or implied, is or will be made and no responsibility or liability is or will be accepted by the Delegate or any Dealer as to the accuracy or completeness of the information contained in this Information Memorandum or in any Supplemental Information Memorandum or any other information provided by the Issuer in connection with the Programme or the Certificates or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of the Issuer under the Programme.

The delivery of this Information Memorandum or any Supplemental Information Memorandum does not at any time imply that the information contained herein or therein concerning the Issuer is correct at any time subsequent to the date hereof or thereof (as the case may be) or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same.

This Information Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Certificates in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Information Memorandum and any Supplemental Information Memorandum and the offer or sale of Certificates may be restricted by law in certain jurisdictions. The Issuer, the Trustee, the Delegate and the relevant Dealer(s) do not and will not represent that this Information Memorandum or any Supplemental Information Memorandum may be lawfully distributed, or that the Certificates may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been or will be taken by the Issuer, the Trustee, the Delegate or any Dealers (save as specified in the relevant Supplemental Information Memorandum (if any) or Issue Terms) which is intended to permit a public offering of the Certificates or distribution of this Information Memorandum or any Supplemental Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Certificates may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any Supplemental Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose

possession this Information Memorandum, any Supplemental Information Memorandum or any Certificates come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Information Memorandum and any Supplemental Information Memorandum and the offer or sale of Certificates in the United States, the European Economic Area (including the United Kingdom), Bahrain, Bangladesh, Brunei, the Cayman Islands, Egypt, Hong Kong, India, Indonesia, Japan, Jordan, Pakistan, Kenya, Kuwait, Lebanon, Malaysia, Monaco, Morocco, Nigeria, Oman, Qatar, Saudi Arabia, Singapore, South Africa, Switzerland and the United Arab Emirates (see "*Subscription and Sale and Transfer Restrictions*" on page 102 below).

CAYMAN ISLANDS NOTICE

No invitation may be made to any member of the public of the Cayman Islands to subscribe for any Certificates unless the Issuer is listed on the Cayman Islands Stock Exchange.

NOTICE TO BAHRAIN RESIDENTS

The Central Bank of Bahrain and the Bahrain Stock Exchange assume no responsibility for the accuracy and completeness of the statements and information contained in this Information Memorandum and expressly disclaim any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this Information Memorandum. Each potential investor intending to subscribe for Certificates (each a "**potential investor**") may be required to provide satisfactory evidence of identity and, if so required, the source of funds to purchase Certificates within a reasonable time period determined by the Issuer and the relevant Dealer. Pending the provision of such evidence, an application to subscribe for Certificates will be postponed. If a potential investor fails to provide satisfactory evidence within the time specified, or if a potential investor provides evidence but none of the Issuer or the relevant Dealer are satisfied therewith, its application to subscribe for Certificates may be rejected in which event any money received by way of application will be returned to the potential investor (without any additional amount added thereto and at the risk and expense of such potential investor). In respect of any Bahraini potential investors, the Issuer will comply with Bahrain's Legislative Decree No. (4) of 2001 with respect to Prohibition and Combating of Money Laundering and various Ministerial Orders issued thereunder including, but not limited to, Ministerial Order No. (7) of 2001 with respect to Institutions' Obligations Concerning the Prohibition and Combating of Money Laundering.

KINGDOM OF SAUDI ARABIA NOTICE

This Information Memorandum may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "**Capital Market Authority**").

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Information Memorandum. Prospective holders of the Certificates offered hereby should conduct their own due diligence on the accuracy of the information relating to the Certificates. If a prospective holder does not understand the contents of this Information Memorandum he or she should consult an authorised financial adviser.

All references in this Information Memorandum or any Supplemental Information Memorandum or Issue Terms to "**U.S. dollars**", "**U.S.\$**" and "**U.S. cents**" are to the currency of the United States of

America, those to "**Sterling**", "**Pounds Sterling**", "**Pounds**" and "**£**" are to the currency of the United Kingdom, those to "**Japanese Yen**", "**Yen**" and "**¥**" are to the currency of Japan, those to "**Hong Kong Dollars**" and "**HK\$**" are to the currency of Hong Kong and those to "**euro**" and "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community.

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RISK FACTORS

The purchase of the Certificates may involve substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Certificates. Unless otherwise specified in the relevant Issue Terms, the Certificates are not capital protected and purchasers of the Certificates are exposed to full loss of capital.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Certificates issued under the Programme. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Certificates issued under the Programme, but the inability of the Issuer to pay amounts on or in connection with any Certificates may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Certificates are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision.

Risk factors relating to the Issuer

The Issuer is a newly formed entity and has no operating history. The Issuer will not engage in any business activity other than the issuance of Certificates under the Programme, the acquisition of the Trust Assets as described herein, acting in the capacity as Trustee and other activities incidental or related to the foregoing as required under the Transaction Documents.

The Issuer's only material assets, which will be held on trust for Certificateholders, will be the Trust Assets relating to each Series, including its right to receive payments under the relevant *Shari'a* Contract and its interest in any Underlying Assets. Therefore the Issuer is subject to all the risks to which the Counterparty in relation to a Series of Certificates is subject to the extent that such risks could limit such Counterparty's ability to satisfy in full and on a timely basis its obligations under the relevant *Shari'a* Contract.

The ability of the Issuer to pay amounts due on any Certificates will primarily be dependent (although see further "**Credit risk**" below) upon receipt by the Issuer from the Counterparty of all amounts due under the relevant *Shari'a* Contract which, in the aggregate, may not be sufficient to meet all claims under the relevant Certificates.

Investor suitability

The Certificates may not be a suitable investment for all investors. Each potential investor in Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Certificates and the rights attaching to the Certificates;

- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Certificates and the impact the Certificates will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Certificates, including where the currency of payment is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Certificates and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

Credit risk

The ability of the Issuer to meet its obligations under the Certificates will be dependent, where applicable, upon the payment of all sums due on the Underlying Assets; the payment of all sums due from the relevant Counterparty under the *Shari'a* Contract; the Principal Paying Agent, the other Paying Agents and the Custodian making the relevant payments when received; and all parties to the Transaction Documents (other than the Issuer) performing their respective obligations thereunder. Moreover, in certain cases, the ability of the Issuer to make payments to Certificateholders in respect of the Certificates will be limited to the claims of the Issuer against the Counterparty. Accordingly, Certificateholders are exposed, among other things, to the creditworthiness of the Counterparty, the Principal Paying Agent, the other Paying Agents and the Custodian.

Illiquid Underlying Assets

The Underlying Assets may comprise assets which are illiquid and not readily realisable. This may be the case irrespective of whether they are admitted to any public trading market.

Further issues

The terms of the Certificates may provide for the issue of further fungible Certificates in certain circumstances. The additional Underlying Assets which the Issuer may be required to acquire to form part of the Trust Assets in respect of such further Certificates relative to the aggregate face amount of the further Certificates may be such as to affect the value of the original Trust Assets in respect of the Certificates.

Modifications to the terms of the Certificates

Prospective investors' attention is drawn to Condition 18 (*Meetings of Certificateholders, Modification, Waiver and Substitution*) and in particular, the provision that the Delegate may, from time to time and at any time, without any consent of the Certificateholders agree any modification to any of the Issue Terms or other provisions of the Trust Instrument if, in the opinion of the Delegate, such modification (i) is not materially prejudicial to the interests of the relevant Certificateholders or (ii) is of a formal, minor or technical nature or to correct a manifest error. Any such modification shall, unless the Delegate otherwise agrees, be notified to the relevant Certificateholders as soon as practicable thereafter and shall in any event be binding upon the relevant Certificateholders.

Failure to give directions as Instructing Party

In certain circumstances, including in respect of the ability to direct the Delegate pursuant to Condition 10 (*Dissolution Events*) and/or Condition 11 (*Enforcement*), the Delegate may have regard only to the interests of the Instructing Party and the Delegate shall not be bound to take any action to enforce or realise the Trust Assets or take any action against the Issuer or the Counterparty under any Transaction Document unless requested by the Instructing Party and indemnified and/or secured and/or prefunded to its satisfaction. The Instructing Party, in relation to each Series of Certificates, will be the holders of at least one fifth of the then aggregate face amount of such Series of Certificates or the holders of the Certificates of such Series when instructing or directing the Delegate by means of an Extraordinary Resolution. However, if the Certificateholders fail so to instruct or direct the Delegate and/or fail to indemnify and/or secure and/or prefund the Delegate to its satisfaction within three months of the date of notification to the Certificateholders of the occurrence of the relevant event pursuant to Condition 10 (*Dissolution Events*) and/or Condition 11 (*Enforcement*), the Instructing Party shall be the Counterparty. In such circumstances, the Counterparty may also fail to instruct the Delegate or may instruct the Delegate in a manner which is not in the best interests of the Certificateholders.

Limited recourse

The proceeds of the Trust Assets are the sole source of payments on the Certificates. Save as provided in the next sentence, the Certificates do not represent an interest in or obligation of the Issuer or the Counterparty. Accordingly, Certificateholders, by subscribing for or acquiring the Certificates, acknowledge that they will have no recourse to any assets of the Issuer other than the Trust Assets or to the Counterparty (to the extent that it fulfils its obligations under the *Shari'a* Contract) in respect of any shortfall in the expected amounts from the Trust Assets to the extent that the Trust Assets have been extinguished, following which all the obligations of the Issuer shall be extinguished.

The proceeds of realisation of, or enforcement with respect to, the Trust Assets may not be sufficient to make all payments in respect of the Certificates. If following the distribution of such proceeds in accordance with the Trust Instrument, there remains a shortfall in payments due under the Certificates, no holder will have any claim against the Issuer or the Counterparty (to the extent that each has fulfilled its obligations under the Transaction Documents) or against any assets (other than the Trust Assets to the extent not extinguished) in respect of such shortfall and any unsatisfied claims of Certificateholders shall be extinguished.

The Certificates of each Series represent undivided beneficial ownership interests in the Trust Assets and are not obligations of the officers, members, directors, employees or incorporator of the Issuer, the Counterparty or their respective successors or assigns. Furthermore, they are not obligations of, or guaranteed in any way by, any Dealer.

Independent review and advice

Each prospective purchaser of Certificates must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer, the Counterparty and any relevant obligor(s) in respect of the Underlying Assets) and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, whether an investment in the Certificates is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Certificates (i) is fully consistent with its (or if it is acquiring the Certificates in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Certificates as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Certificates in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Certificates. None of the Issuer, the Trustee, the Delegate, the Dealer(s) or any of their respective affiliates is acting as an investment adviser, or assumes any fiduciary obligation, to any purchaser of Certificates.

Neither this Information Memorandum nor any Supplemental Information Memorandum is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation or constituting an invitation or offer that any recipient of this Information Memorandum or any Supplemental Information Memorandum should purchase any Certificates. The Delegate and the Dealer(s) expressly do not undertake to review the financial condition or affairs of the Issuer, the Counterparty or any relevant obligor(s) in respect of the Underlying Assets for any Series of Certificates during the life of the Programme.

***Shari'a* rules and compliance**

As at the date of this Information Memorandum, the Issuer and certain underlying investment structures, strategies and types of Underlying Assets have been approved as "*Shari'a* compliant" by the central *Shari'a* committee advising the HSBC Group (the "***Shari'a* Board**"). In respect of any Series of Certificates, if the underlying investment structures, strategies and/or types of Underlying Assets materially differ from those which have, at the date of this Information Memorandum, been so approved as "*Shari'a* compliant", approval as to *Shari'a* compliance in respect thereof will be sought, prior to the Issue Date of such Certificates, from the *Shari'a* Board or such other *Shari'a* board or *Shari'a* scholar as HSBC Bank plc may appoint for this purpose. No Certificates will therefore be issued unless the relevant investment structures, strategies and types of Underlying Assets in respect thereof have been approved as "*Shari'a* compliant" by the *Shari'a* Board or another *Shari'a* board or *Shari'a* scholar appointed by HSBC Bank plc.

Neither the Issuer nor any other person makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any determination(s) and/or approval(s) as to *Shari'a* compliance. It should be noted that differences exist among Islamic scholars and advisers as to the nature of *Shari'a* compliance and no assurance is given that other Islamic scholars or advisers would determine that the Issuer and/or the underlying investment structure and/or any Certificates are *Shari'a* compliant. Prospective investors are reminded that, as with any *Shari'a* views, differences in opinion are possible. Prospective holders of the Certificates should therefore not rely on the approval(s) referred to above and should obtain their own independent *Shari'a* advice as to the *Shari'a* compliance of this Information Memorandum, the Issuer, the underlying investment structure, strategies and the Underlying Assets, and the issue and trading of the Certificates.

In the event the status of any such *Shari'a* compliance should change, the Issuer accepts no liability in relation to such change and has no obligation to inform or otherwise notify the Certificateholders of such change.

In purchasing Certificates, each Certificateholder must: (i) ensure that it has made its own investigation into, and satisfied itself as to, the *Shari'a* compliance of such Certificates and each

Transaction Document relating to such Certificates; (ii) be satisfied that all necessary action to confirm that such Certificates and each Transaction Document relating to such Certificates are *Shari'a* compliant has been taken (including the obtaining of a fatwa where required); (iii) not claim any dispute on the grounds of *Shari'a* compliance of such Certificates or the Transaction Documents relating to such Certificates; and (iv) not rely on HSBC Bank plc or any written declaration, fatwa, opinion or other documents prepared by, on behalf or at the request of HSBC Bank plc for the purposes of a determination or confirmation that such Certificates and each Transaction Document relating to such Certificates are *Shari'a* compliant. Prospective investors' attention is drawn to the deemed confirmations of the same set out in Condition 12 (*Shari'a Compliance*).

Provision of information

Neither the Issuer, the Trustee, the Delegate, the Agents, the Dealer(s) nor any affiliate makes any representation as to the credit quality of the Counterparty or any relevant obligor(s) in respect of the Underlying Assets for any Series of Certificates. Any of such persons may have acquired, or during the term of the Certificates may acquire, non-public information with respect to such Counterparty or obligor in respect of the Underlying Assets. None of such persons is under any obligation to make available any information relating to, or keep under review on the Certificateholders' behalf, the business, financial conditions, prospects, creditworthiness or status of affairs of the Counterparty or any relevant obligor in respect of the Underlying Assets or conduct any investigation or due diligence into the Counterparty or any such obligor in respect of the Underlying Assets.

No secondary market

No secondary market is expected to develop in respect of the Certificates and, in the unlikely event that a secondary market in the Certificates does develop, there can be no assurance that it will provide the Certificateholders with liquidity of investment or that it will continue for the life of such Certificates. Accordingly, the purchase of the Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Certificates and the financial and other risks associated with an investment in the Certificates. Investors must be prepared to hold the Certificates for an indefinite period of time or until final redemption or maturity of the Certificates.

Business relationships

Each of the Issuer, the Trustee, the Dealer(s), the Delegate, the Agents or any of their affiliates may have existing or future business relationships with any Counterparty or obligor in respect of any Underlying Assets of any Series of Certificates (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Certificateholder. Furthermore, the Dealer(s), the Delegate, the Agents or any of their respective affiliates may buy, sell or hold positions in obligations of, or act as investment or commercial bankers, advisers or fiduciaries to, or hold directorship and officer positions in, the Counterparty or any obligor in respect of Underlying Assets.

Conflicts of Interest

Each of the Counterparty, the *Wa'd* Agent and any of their respective affiliates is acting or may act in a number of capacities in connection with the issue of Certificates. The Counterparty, the *Wa'd* Agent and any of their respective affiliates acting in such capacities in connection with the issue of

Certificates shall have only the duties and responsibilities expressly agreed to by it in the relevant capacity and shall not, by virtue of its or any other affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to each such capacity. Each of the Counterparty, the *Wa'd* Agent and any of their respective affiliates in its various capacities in connection with the issue of Certificates may enter business dealings, including the acquisition of investment securities as contemplated by the Transaction Documents from which it may derive revenues and profits in addition to any fees stated in various documents, without any duty to account thereof.

Various potential and actual conflicts of interest may arise between the interests of the Certificateholders and either the Issuer and/or the Counterparty and/or the *Wa'd* Agent, as a result of the various businesses, management, investment and other activities of such persons, and none of such persons is required to resolve such conflicts of interest in favour of the Certificateholders. Such conflicts may include the fact that persons may (i) deal in the Underlying Assets or (ii) act with respect to such business in the same manner as if the Certificates did not exist, regardless of whether any such relationship or action might have an adverse effect on the Underlying Assets, the Certificates, or on the position of any other party to the transaction described herein or otherwise.

Taxation

Certificateholders to be responsible for taxes payable by them

Each Certificateholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Certificates. The Issuer will not pay any additional amounts to Certificateholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Certificates by the Issuer or any Paying Agents or suffered by the Issuer in respect of payments received by it under the relevant *Shari'a* Contract or its income from the relevant Underlying Assets (including the deduction of tax from such payments) or any tax, assessment or charge suffered by the Issuer except as provided for in the relevant Issue Terms.

United Kingdom tax treatment

Certificates that satisfy the conditions in section 564G of the Income Tax Act 2007 (**ITA 2007**) (Investment Bond Arrangement) should be treated as alternative finance arrangements for the purposes of section 564A ITA 2007. Provided, in particular, that the certificates are and continue to be listed on a recognised stock exchange and continue to satisfy the conditions in section 564G ITA 2007, United Kingdom tax should not be required to be withheld from payments under such Certificates. The Global Exchange Market of the Irish Stock Exchange is recognised by HM Revenue and Customs for this purpose. Payments in respect of Certificates that do not so satisfy the conditions in section 564G ITA 2007 to be treated as alternative finance arrangements may be subject to deduction for or on account of United Kingdom taxation. Anyone who may be subject to United Kingdom taxation and who is considering investing in Certificates should obtain United Kingdom tax advice on the tax treatment of Certificates before acquiring the Certificates.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other

Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

If payments were to be made or collected through a Member State (or in certain cases through a relevant Non-EU Country or territory) which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Certificate as a result of the imposition of such withholding tax.

Legal opinions

Legal opinions relating to the Certificates may be obtained on issue with respect to the laws of England and of the Cayman Islands, but no such opinions will be obtained with respect to any other applicable laws and no investigations will be made into the validity or enforceability of the laws of any other jurisdiction in respect of the obligations under the Certificates. Any such legal opinions will not be addressed to, and may not be relied on by, Certificateholders. In particular, save as aforesaid, no legal opinions will be obtained in relation to:

- (i) the laws of the country of incorporation of any obligor(s) in respect of the Underlying Assets;
- (ii) the laws of the country in which the Underlying Assets are situated; or
- (iii) the laws of the country which are expressed to govern the Underlying Assets.

Such laws, depending upon the circumstances, may affect, among other things, the validity and legal and binding effect of the Underlying Assets. Consequently, no responsibility is accepted by the Issuer in relation to such matters.

Legality of purchase

None of the Issuer, the Dealer(s) or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Certificates by a prospective purchaser of the Certificates, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

Substitution of Underlying Assets

The terms of the Certificates may provide that the Underlying Assets may be substituted in accordance with the terms of Condition 4(b) (*Substitution at direction of the Wa'd Agent*) at the direction of the *Wa'd Agent* on a Market Value Basis. There can be no assurance that the value of the original Trust Assets will be preserved in all respects if such substitution occurs.

Voting rights for Underlying Assets

The *Wa'd* Agent will be entitled to exercise the voting rights (if any) in relation to the Underlying Assets. The Certificateholders may or may not be consulted with respect to any such vote, and therefore the Certificateholders will not be in the same position as if they held the Underlying Assets.

Commingling of Underlying Assets

Prospective investors' attention is drawn to the limited circumstances permitted by the Agency Agreement whereby the Underlying Assets held by the Custodian are not segregated from the designated investments of the Custodian and, in such circumstances, in the event of the Custodian's insolvency, the Issuer's assets may not be as well protected from claims made on behalf of the general creditors of the Custodian.

UK Banking Act 2009

The Banking Act 2009 (the "**Banking Act**"), which came into effect on 21 February 2009, includes (amongst other things) provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of a UK bank or building society (such as HSBC Bank plc). In particular, in respect of UK banks, such tools include share and property transfer powers (including powers for partial property transfers), certain ancillary powers (including powers to modify certain contractual arrangements in certain circumstances) and two new special insolvency procedures which may be commenced by UK authorities (i.e. bank insolvency and bank administration).

In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial systems of the United Kingdom. The Act includes provisions related to compensation in respect of transfer instruments and orders made under it.

If an instrument or order were to be made under the Banking Act in respect of HSBC Bank plc, such instrument or order may (amongst other things) affect the ability of such entity to satisfy its obligations under the Programme and/or result in modifications to the Programme or documents issued under it.

The Banking Act 2009 (Restriction on Partial Property Transfers) (Amendment) Order 2009 (the "**Safeguards Order**") came into force on 9 July 2009. The Safeguards Order imposes certain controls on the powers set out in the Banking Act and, *inter alia*, prevents the transfer under an instrument or order of some and not all of the property, rights and liabilities that comprise a "capital market arrangement" and also includes a restriction on the power to amend the terms of a trust if a partial property transfer is made pursuant to an instrument or order under the Banking Act. Depending on the nature of the Underlying Assets and the *Shari'a* Contract in respect of a Series of Certificates, the issuance of such Certificates may constitute a "capital market arrangement" and therefore have the benefit of the Safeguards Order. However, Certificateholders should note that such protections apply to partial property transfers only and not to all powers that can be carried out under an instrument or order.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of HSBC Bank plc and there has been no indication that it will make any such instrument or

order, but there can be no assurance that this will not change and/or that Certificateholders will not be adversely affected by any such instrument or order if made.

SUMMARY OF THE TERMS OF ISSUE

This Summary must be read as an introduction to this Information Memorandum. Any decision to invest in any Certificates should be based on a consideration of this Information Memorandum as a whole, including, in relation to any particular Series of Certificates, the relevant Supplemental Information Memorandum (if any) and the relevant Issue Terms.

This Summary is qualified in its entirety by the remainder of this Information Memorandum and, in relation to any particular Series of Certificates, the relevant Supplemental Information Memorandum (if any) and the relevant Issue Terms.

Issuer: Amanah Certificates Issuance Programme Limited.

Description: U.S.\$50,000,000,000 Trust Certificate Issuance Programme.

Arranger: HSBC Bank plc.

The Arranger has, pursuant to the Fees and Expenses Agreement, agreed to pay, *inter alia*, the fees and expenses of the Delegate, the Agents, the Administrator and (to the extent that they are not able to be satisfied out of the proceeds of the other Trust Assets in relation to a Series of Certificates) the *Wa'd* Agent and other expenses of the Issuer relating to the Programme and the administration of the Issuer as set out therein.

Dealers: HSBC Bank plc and any other Dealers appointed in respect of an issue of Certificates.

The Issuer may from time to time appoint additional dealers either in respect of one or more Series of Certificates or in respect of the whole Programme or terminate the appointment of any Dealer under the Programme.

Principal Paying Agent: HSBC Bank plc.

Registrar: HSBC Private Bank (C.I.) Limited, Jersey Branch or any other Registrar appointed in respect of an issue of Certificates.

Custodian: HSBC Bank plc.

Trustee: In relation to each Series of Certificates, the Issuer will act as Trustee in respect of the Trust Assets for the benefit of the Certificateholders in accordance with a declaration of trust granted pursuant to the Trust Instrument and the Conditions of such Series of Certificates.

Delegate: HSBC Corporate Trustee Company (UK) Limited.

Pursuant to the Trust Instrument, the Trustee will

unconditionally and irrevocably delegate certain powers, duties, authorities and discretions vested in the Trustee by certain provisions of the Trust Instrument to the Delegate, including the power and authority to enforce the Trust Assets.

The Certificateholders may by Extraordinary Resolution remove any delegate, provided that a suitable successor has been found. The Trustee has the power to appoint a replacement delegate but no successor shall be appointed without the prior approval of the Certificateholders.

Vendor:	HSBC Bank plc or such other entity as is specified in the relevant Issue Terms.
Counterparty:	HSBC Bank plc or such other entity as is specified in the relevant Issue Terms.
Administrator/Corporate Services Provider:	MaplesFS Limited, a licensed trust company in the Cayman Islands.
Maximum Amount of Programme:	U.S.\$50,000,000,000 (or its equivalent in other currencies), subject to increase from time to time.
Currencies:	Subject to any applicable legal or regulatory restrictions, Certificates may be issued in any currency as agreed between the Issuer and the relevant Dealer(s).
Certain Restrictions:	Each Series of Certificates denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time. The proceeds of each Tranche will not be accepted by the Issuer in the United Kingdom where to do so would be restricted by law.
Distribution:	The Certificates of each Series will be issued to the relevant Dealer(s) or to the other subscriber(s) to such Series by way of private placement or public issue, as specified in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms.
Maturities:	Subject to any applicable legal or regulatory restrictions, such maturity as may be specified in the relevant Issue Terms.
Issue Price:	Certificates shall be issued on a fully-paid basis and may only be issued at an issue price which is at par. A fee may be paid by any subscriber to the Issuer upon any issue of Certificates, in an amount to be agreed at the time of issue. The Issuer may also issue Certificates to any Dealer (as principal) at par, for resale to one or more investors and other purchasers at

varying prices, to be determined by such Dealer at the time of resale, which may be greater or less than the issue price for such Certificates paid by such Dealer. Such resale shall be subject to any minimum holding of Underlying Assets by the Issuer as may be required in order for such resale to take place in accordance with the principles of *Shari'a*. A fee may be paid by the Issuer to such Dealer upon such issue of Certificates in an amount to be agreed upon at the time of issue.

Periodic Distribution Amounts:

Certificateholders may be entitled to receive Periodic Distribution Amounts if so specified in the relevant Issue Terms. Periodic Distribution Amounts shall be limited to payments payable to the Issuer under the *Shari'a* Contract.

Reference Rates:

Periodic Distribution Amounts and Dissolution Amounts may be linked to one or more variables including, but not limited to, a share or a basket of shares, a commodity or a basket of commodities, an index or a basket of indices, a rate of exchange or a basket of rates of exchange, a fixed income instrument or a basket of fixed income instruments, an interest rate, mutual funds, property, exchange traded funds or derivatives on any of the foregoing (each a **Reference Rate**). For the avoidance of doubt, any such interest rate shall be used solely for reference purposes for calculating amounts payable under the Certificates. Details of the Reference Rate to which the Certificates are linked will be specified in the relevant Issue Terms.

Fixed Periodic Distribution Certificates:

Fixed periodic distributions will be payable on the basis of such fixed Reference Rate and on such dates as may be agreed between the Issuer and the relevant Dealer(s) and will be calculated on the basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) (as specified in the relevant Issue Terms).

Floating Periodic Distribution Certificates:

Floating periodic distributions will be payable on the basis of such floating Reference Rate and on such dates as may be agreed between the Issuer and the relevant Dealer(s) as specified in, or determined pursuant to, the Issue Terms and will be calculated on the basis of such Floating Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) (as specified in the relevant Issue Terms).

Periodic distributions calculated on the basis of a floating Reference Rate will be determined either:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Currency of Issue governed by an agreement incorporating the ISDA Definitions; or

- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer(s),

in each case, as indicated in the Issue Terms and subject to the approval of the *Shari'a* Board.

For the avoidance of doubt, ISDA Definitions shall be used for interpretative purposes only in determining the Reference Rate and the Issuer shall not enter into any derivative transactions.

Floating Periodic Distribution Certificates may also have a maximum periodic distribution rate, a minimum periodic distribution rate or both subject to the approval of the *Shari'a* Board.

The Margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Periodic Distribution Certificates.

Types of Certificates:

The relevant terms applicable to any type of Certificate which the Issuer and any Dealer may agree to issue under the Programme will be set out in the relevant Issue Terms. Types of Certificates which may be issued by the Issuer, other than Fixed Periodic Distribution Certificates and Floating Periodic Distribution Certificates referred to above, include, without limitation, Indexed Periodic Distribution Certificates and Certificates with no periodic distributions.

Form of Certificates:

Certificates may be issued in bearer form ("**Bearer Certificates**") or registered form ("**Registered Certificates**").

Bearer Certificates will either (a) initially be represented by a Temporary Bearer Global Certificate or (b) be represented by a Permanent Bearer Global Certificate, in each case which will be deposited with a common depositary on behalf of Euroclear and Clearstream, Luxembourg on or before the Issue Date. Beneficial interests in a Temporary Bearer Global Certificate will be exchangeable for either beneficial interests in a Permanent Bearer Global Certificate or definitive Bearer Certificates, in each case on or after the date which is 40 days after the date on which the Temporary Bearer Global Certificate is issued and upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. A Permanent Bearer Global Certificate

will be exchangeable in whole for definitive Bearer Certificates only upon an Exchange Event.

Registered Certificates will be represented by a Registered Global Certificate deposited with a common depositary for, and registered in the name of a common nominee for, Euroclear and Clearstream, Luxembourg. Prior to expiry of the applicable Distribution Compliance Period required by Regulation S, beneficial interests in a Registered Global Certificate may not be offered or sold to, or for the account or benefit of, a U.S. person and may not be held otherwise than through Euroclear and Clearstream, Luxembourg.

No beneficial owner of an interest in a Bearer Global Certificate or a Registered Global Certificate will be able to exchange or transfer that interest, except in accordance with the applicable procedures of Euroclear and/or Clearstream, Luxembourg or, where the context so permits, any additional or alternative clearing system specified in the Issue Terms. In addition, Registered Global Certificates and, if applicable, any Definitive Registered Certificates will be subject to certain restrictions on transfer set out in a legend thereon and in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms.

For so long as any of the Certificates is represented by a Bearer Global Certificate or a Registered Global Certificate held by a common depositary on behalf of Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as entitled to a particular face amount of Certificates shall be deemed to be the holder of such face amount of Certificates for all purposes other than with respect to the payment of dissolution amounts, periodic distributions or other amounts on such Certificates, for which purpose such common depositary shall be deemed to be the holder of such face amount of Certificates in accordance with and subject to the terms of the relevant Global Certificate.

Denominations:

Certificates will be issued in such denominations as may be specified in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms save that the minimum denomination of each Certificate will be the greater of (i) EUR 100,000 and (ii) such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Currency of Issue.

Dissolution:

Certificates will be redeemed at the Dissolution Amount specified in the relevant Issue Terms. The Dissolution Amount shall be linked to payments payable to the Issuer

under the *Shari'a* Contract.

Early Dissolution:

Certificates will be redeemable prior to maturity only in limited circumstances upon the occurrence of certain events relating to the Issuer as set out in Condition 7 (*Capital Distributions of the Trust*) or relating to an acceleration of the Certificates as specified in Condition 10 (*Dissolution Events*) or as otherwise specified in the Issue Terms.

Optional Early Dissolution:

Certificates may be redeemed at the option of the Issuer or the Certificateholders prior to their stated maturity, on such dates and on such terms as are specified in the Issue Terms.

Taxation:

The Issuer will not be obliged to gross up any payments in respect of the Certificates (including for tax suffered in respect of the receipt of payments under the *Shari'a* Contract or otherwise in respect of the Trust Assets).

However, the Issuer may in certain circumstances described in the Conditions be obliged to use its reasonable endeavours to arrange a substitution of another company as issuer of the Certificates. If any Certificates of the Issuer are rated, such substitution would be subject to prior notification to, and confirmation and/or affirmation (as the case may be) from, any rating agency by which the relevant Certificates are rated that the credit rating granted by such rating agency would not be adversely changed.

If no substitution is effected, the Issuer may be required to redeem the Certificates.

Cross Default:

None.

Listing:

Application has been made to the Irish Stock Exchange for Certificates issued under the Programme to be admitted to listing on its Official List and trading on its Global Exchange Market.

The Certificates may also be listed on such other or further stock exchanges as may be specified in the Issue Terms in which event such additional listing shall be notified to the Irish Stock Exchange.

Rating:

The Certificates of any Series may be rated or unrated. In the case of rated Certificates, the rating(s) may be by Standard and Poor's Ratings Services ("**S&P**") and/or Moody's Investors Service Limited ("**Moody's**") and/or any other recognised debt rating agency, as specified in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms. The ratings will vary depending upon, among other things, the rating of the obligor(s) in respect of

the *Shari'a* Contract. The relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms will set out what the ratings will address in the case of each issue of Certificates. A rating is not a recommendation to buy, sell or hold certificates and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Certificates may adversely affect the market price of the Certificates.

Status of Certificates:

The Certificates of each Series will evidence undivided beneficial ownership interests in the Trust Assets of that Series and recourse in respect of such Certificates shall be limited in the manner described in Condition 5 (*Limited Recourse*). Certificates of each Series will rank *pari passu* and without preference among themselves.

The Trust:

The Trustee will hold the Issuer's rights, title, interest and benefit, present and future, in, to and under the Trust Assets in respect of each Series of Certificates upon trust absolutely for the holders of such Series of Certificates *pro rata* according to the face amount of Certificates held by each holder, subject to and in accordance with the Trust Instrument and the Conditions of such Series.

Trust Assets:

The Trust Assets in respect of each Series of Certificates will comprise all of the Issuer's rights, title, interest and benefit, present and future, in, to and under the *Shari'a* Contract relating to such Series, the other Transaction Documents in respect of such Series and the Underlying Assets relating to such Series. For the avoidance of doubt, the Trust Assets do not include assets comprised in other trusts (if any). Claims of the Certificateholders of each Series will be limited to the Trust Assets in respect of that Series.

***Shari'a* Contract:**

The *Shari'a* Contract in relation to each Series of Certificates may consist of:

- (i) a *Wa'd* to Purchase and a *Wa'd* to Sell; or
- (ii) such other *Shari'a* compliant contract or combination of *Shari'a* compliant contracts as specified in the relevant Issue Terms.

Where the *Shari'a* Contract in relation to a Series of Certificates consists of a *Wa'd* to Purchase and a *Wa'd* to Sell, the Issuer (or an agent acting on the Issuer's behalf) will use the proceeds from the issue of the Certificates to purchase Underlying Assets.

The Issuer and the Counterparty will enter into two separate

unilateral promises ("*Wa'd*") by way of deed:

- (i) a unilateral promise of the Issuer to sell the Underlying Assets in favour of the Counterparty; and
- (ii) a unilateral promise of the Counterparty to purchase the Underlying Assets in favour of the Issuer.

Payments under the Certificates shall be linked to the payments made to the Issuer under the relevant *Wa'd*. See "*Structure Diagram and Summary Cash Flows*".

Underlying Assets:

The Underlying Assets in respect of each Series of Certificates shall comprise *Shari'a* compliant assets and/or commodities (all as more particularly specified in the relevant Issue Terms) acquired by the Issuer for the purpose of performing its obligations under the *Shari'a* Contract.

The Underlying Assets relating to each Series will be owned by the Issuer and (unless otherwise specified in the relevant Issue Terms) shall be deposited with the Custodian for such Series of Certificates subject to the Trust.

The Issuer may substitute or replace Underlying Assets in certain circumstances as specified in the Issue Terms and/or the *Shari'a* Contract.

See further "*Structure Diagram and Summary Cash Flows*".

***Wa'd* Agent:**

The Issuer shall appoint a *Wa'd* Agent in respect of each Series of Certificates where the *Shari'a* Contract in relation to such Series of Certificates consists of a *Wa'd* to Purchase and a *Wa'd* to Sell. The *Wa'd* Agent will, *inter alia*, exercise the Issuer's rights under the relevant *Shari'a* Contract, monitor the *Shari'a* compliance of the Underlying Assets and effect substitutions of the Underlying Assets. Unless otherwise agreed in respect of a particular Series of Certificates, the *Wa'd* Agent shall be paid an amount equal to any interim profits generated on the Underlying Assets (including dividends or other income) while they are held for the benefit of the Issuer.

Governing Law:

The Certificates will be governed by, and construed in accordance with, English law.

Selling Restrictions:

There are selling restrictions in relation to the United States, the European Economic Area (including the United Kingdom), Bahrain, Bangladesh, Brunei, Egypt, Hong Kong, India, Indonesia, Japan, Jordan, Kenya, Kuwait, Lebanon, Malaysia, Monaco, Morocco, Nigeria, Oman, Pakistan, Qatar, Saudi Arabia, Singapore, South Africa, Switzerland,

the United Arab Emirates and the Cayman Islands and such other restrictions as may be required (and specified in the relevant Supplemental Information Memorandum) in connection with the offering and sale of a particular Series of Certificates. See "***Subscription and Sale and Transfer Restrictions***" on page 102 below.

Bearer Certificates will be issued in compliance with U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (i) the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms states that Certificates are issued in compliance with U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (the "**C Rules**") or (ii) such Certificates are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Certificates will not constitute "registration-required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**").

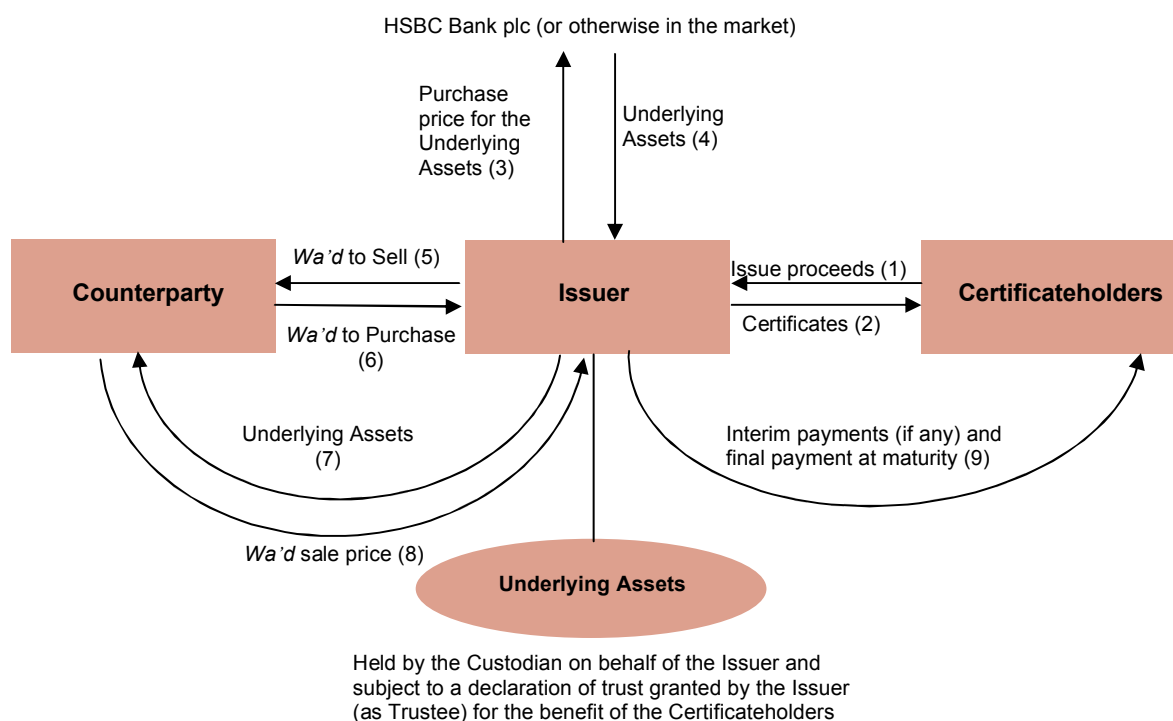
STRUCTURE DIAGRAM AND SUMMARY CASH FLOWS

The net proceeds from the sale of each Series of Certificates will be used by the Issuer in connection with the relevant *Shari'a* Contract relating to such Series. The Dissolution Amount and any Periodic Distribution Amounts payable in relation to each Series of Certificates will be linked to payments made to the Issuer under the relevant *Shari'a* Contract.

The *Shari'a* Contract in relation to each Series of Certificates may consist of:

- (iii) a *Wa'd* to Purchase and a *Wa'd* to Sell; or
- (iv) such other *Shari'a* compliant contract or combination of *Shari'a* compliant contracts as specified in the relevant Issue Terms.

Where the *Shari'a* Contract in relation to a Series of Certificates consists of a *Wa'd* to Purchase and a *Wa'd* to Sell, the principal cash flows underlying such Certificates will be as set out below. Where the *Shari'a* Contract consists of a different form of *Shari'a* compliant contract or a combination of *Shari'a* compliant contracts, the principal cash flows underlying such Certificates will be as set out in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms.



On the Issue Date of the relevant Series of Certificates, the Issuer will issue the Certificates to the relevant Dealer for delivery to Certificateholders (1) against payment of the issue price (2).

The Issuer will use the issue proceeds of the Certificates to purchase the Underlying Assets from HSBC Bank plc or otherwise in the market (3 and 4).

The Issuer and the Counterparty will enter into two separate *Wa'ds*: a unilateral promise to sell (the "*Wa'd* to Sell") (5) and a unilateral promise to purchase (the "*Wa'd* to Purchase" and, together with the *Wa'd* to Sell, the "*Wa'ds*") (6), respectively.

Pursuant to the terms of the *Wa'd* to Sell, the Issuer will promise to sell a portion of the Underlying Assets to the Counterparty, on certain agreed future dates (each such date coinciding with a payment date in respect of the Certificates) at an amount equal to the amount payable under the Certificates on such date, subject to the relevant *Wa'd* sale price being lower than the market value of the relevant Underlying Assets on the relevant date.

Pursuant to the terms of the *Wa'd* to Purchase, the Counterparty will promise to purchase a portion of the Underlying Assets from the Issuer on certain agreed future dates (each such date coinciding with a payment date in respect of the Certificates) at an amount equal to the amount payable under the Certificates on such date, subject to the relevant *Wa'd* sale price being higher than or equal to the market value of the relevant Underlying Assets on the relevant date.

The *Wa'ds* will contain provisions permitting the substitution of the Underlying Assets (a) upon the occurrence of certain specified events or (b) at any time in the discretion of the *Wa'd* Agent.

On or around each payment date in respect of the Certificates:

- (v) if the *Wa'd* sale price is higher than or equal to the market value of the portion of the Underlying Assets to be sold, the Issuer will exercise its rights under the *Wa'd* to Purchase; and
- (vi) if the *Wa'd* sale price is lower than the market value of the portion of the Underlying Assets to be sold, the Counterparty will exercise its rights under the *Wa'd* to Sell.

Pursuant to the relevant *Wa'd* that is exercised, the Issuer will sell the relevant portion of the Underlying Assets to the Counterparty (7) in exchange for the *Wa'd* sale price (8) and will direct that proceeds are paid to the Principal Paying Agent in order to fund its payment obligations under the Certificates on the relevant payment date (9).

Upon the occurrence of an event of default by the Issuer under a *Wa'd* or an early redemption of the Certificates, the Issuer shall be required to deliver all the Underlying Assets to the Counterparty in exchange for payment of the cancellation amount. The cancellation amount will be equal to, as the case may be:

- (vii) an amount determined by the Calculation Agent by reference to the then-current exercise price;
- (viii) a pre-specified amount, either constant or as a function of time; or
- (ix) an amount representing the fair market value of the Certificates as determined by the Calculation Agent,

(provided, however, that such amount shall not exceed the face amount of the Certificates to be redeemed following payment thereof), together with (where specified in the Issue Terms) an amount equal to the aggregate of any accrued but unpaid Periodic Distribution Amount in respect of all Certificates to be redeemed to (but excluding) the date of dissolution.

In such circumstances, the cancellation amount will be used by the Issuer to fund the Dissolution Amount due to the Certificateholders.

Upon the occurrence of an event of default by the Counterparty under a *Wa'd*, the Counterparty shall be deemed to instruct the Issuer (acting through the Delegate and/or any agents) to sell all of

the remaining Underlying Assets on its behalf in the open market and to apply the net proceeds of such sale in satisfaction of its obligation to pay the cancellation amount to the Issuer (in respect of a corresponding amount). Where the net sale proceeds of the Underlying Assets are less than the cancellation amount, the Issuer shall be entitled to claim against the Counterparty for the shortfall. In such circumstances, the sale proceeds and any shortfall received from the Counterparty will be used by the Issuer to fund the Dissolution Amount due to the Certificateholders.

Where the net sale proceeds of the Underlying Assets are greater than the cancellation amount, the Issuer shall pay any surplus to the Counterparty in accordance with the Trust Instrument.

Investors should note that the Issuer may not be able to meet its payment obligations under the Certificates if, *inter alia*, the Counterparty fails to pay for the Underlying Assets under the relevant *Wa'd* or if the Issuer becomes insolvent or otherwise unable to meet its obligations under the Certificates.

Underlying Assets

The Underlying Assets may comprise equities, commodities, Sukuk, securities or certificates of any form, denomination, type or issuer, the benefit of other contractual rights (including, without limitation, all sums and/or assets received or receivable (if any) under any such equities, commodities, *Sukuk*, securities or certificates) or other assets which the *Shari'a* Board has confirmed as complying with the principles of *Shari'a* (and may include a payment undertaking, guarantee, letter of credit or other similar arrangement which shall comply with the principles of *Shari'a* of such *Sukuk*, securities, certificates, rights or other assets) all as may be specified in the relevant Issue Terms or Supplemental Information Memorandum. Where the Underlying Assets comprise equities, *Sukuk*, securities or certificates of any issuer, whether income bearing or otherwise, (the "**Issued Securities**") the Issuer will follow the following investment guidelines (the "**Shari'a Investment Guidelines**") under the guidance of the *Shari'a* Board, subject to any qualifications or adjustments contained in the relevant Issue Terms or Supplemental Information Memorandum:

- (a) the Issuer may invest only in Issued Securities of those issuers whose primary business is *Halal* (permissible) and, as a guideline, will not invest in the following *Haram* (prohibited) sectors:
 - (i) conventional banking, financial or any other interest-related activity;
 - (ii) alcohol for non-medicinal use;
 - (iii) tobacco;
 - (iv) gaming;
 - (v) arms manufacturing (weapons and defence);
 - (vi) entertainment (hotels, casinos, gambling, cinema, pornography, music, etc); or
 - (vii) pork production, packaging and processing or any other activity related to pork etc.; and

- (b) the Issued Securities are to be selected, complying with certain quantitative financial screens using verified financial positions of the relevant issuers, as follows:
- (i) the total amount raised by way of interest bearing loans, whether long-term or short-term, should not exceed 33 per cent. of the market capitalisation of the total shares of the relevant issuer;
 - (ii) the total interest bearing deposits (including balances with banks) and interest-bearing securities, whether long-term or short-term should not exceed 33 per cent. of the market capitalisation of the total shares of the relevant issuer;
 - (iii) the receivables of the relevant issuer shall not be equal or greater than 33 per cent. of its total assets;
 - (iv) the total assets of the relevant issuer shall not be made up solely of cash; including balances with banks; non-tangible asset and/or accounts receivable; and
 - (v) the amount of income generated from any prohibited activity undertaken by the relevant issuer should not exceed 5 per cent. of the total income of such issuer,

provided, however, that where any Issued Security is listed on any internationally recognised *Shari'a* index, the Issuer shall be entitled to assume that such Issued Security satisfies the *Shari'a* Investment Guidelines, subject to any contrary guidance of the *Shari'a* Board.

Notwithstanding the above, neither the Issuer nor any other person makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any determination(s) and/or approval(s) as to *Shari'a* compliance. Prospective investors should refer to the risk factor entitled "***Shari'a rules and compliance***" on page 9.

USE OF PROCEEDS

The net proceeds from each Series of Certificates will be used by the Issuer in connection with the relevant *Shari'a* Contract, either:

- (a) where the relevant *Shari'a* Contract consists of *Wa'ds*, in the acquisition of certain Underlying Assets for the purpose of performing its obligations under the *Shari'a* Contract;
or
- (b) where the relevant *Shari'a* Contract consists of another *Shari'a* compliant contract or combination of *Shari'a* compliant contracts, as specified in the relevant Issue Terms.

TERMS OF THE CERTIFICATES

Each Series of Certificates shall have the terms and conditions as set out in the Conditions Modules incorporated by reference and as completed, modified or supplemented by the provisions set out in the Issue Terms.

As so completed, modified or supplemented, such terms and conditions will be the "**Conditions**" for the purposes of such Certificates.

BEARER CERTIFICATES BASE CONDITIONS MODULE

MAY 2011 EDITION

**to be incorporated by reference into
the Conditions and the Trust Instrument for
an issue of Trust Certificates
arranged by
HSBC BANK PLC**

BEARER CERTIFICATES BASE CONDITIONS MODULE

MAY 2011 EDITION

This Bearer Certificates Base Conditions Module sets out the basic terms and conditions for Certificates governed by English law and will apply in respect of all Series of Certificates issued in bearer form. Other Conditions Modules will apply in addition, as specified in the Issue Terms.

1. FORM, DENOMINATION AND TITLE

- (a) Bearer Certificates are serially numbered and in the Specified Denomination(s) set out in the Issue Terms. Title to Bearer Certificates and (if applicable) the related Distribution Vouchers will pass by delivery. Bearer Certificates of one Specified Denomination may not be exchanged for Bearer Certificates of another Specified Denomination.
- (b) Bearer Certificates will either:
 - (i) initially be represented by a Temporary Bearer Global Certificate; or
 - (ii) be represented on issue by a Permanent Bearer Global Certificate,as specified in the Issue Terms.

The Temporary Bearer Global Certificate or Permanent Bearer Global Certificate, as the case may be, will be deposited on or before the Issue Date with the Common Depositary.

Beneficial interests in a Temporary Bearer Global Certificate will be exchangeable for either beneficial interests in a Permanent Bearer Global Certificate or definitive Bearer Certificates, as provided in the Temporary Bearer Global Certificate. A Temporary Bearer Global Certificate may be exchanged on or after the Exchange Date and upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations.

A Permanent Bearer Global Certificate will be exchangeable, in whole but not in part, for definitive Bearer Certificates only upon the occurrence of an Exchange Event, as provided in the Permanent Bearer Global Certificate.

- (c) No beneficial owner of an interest in a Global Certificate will be able to exchange or transfer that interest, except in accordance with the applicable procedures of the Clearing Systems and in accordance with and subject to the terms of such Global Certificate.
- (d) For so long as any of the Certificates is represented by a Bearer Global Certificate held by a Common Depositary, each person who is for the time being shown in the records of the Clearing Systems as entitled to a particular face amount of Certificates shall be deemed to be the holder of such face amount of Certificates for all purposes other than with respect to the payment of dissolution amounts, periodic distributions or other amounts on such Certificates. With respect to such payment, such Common Depositary shall be deemed to be the holder of such face amount of Certificates in accordance with and subject to the terms of the relevant Global Certificate. Any certificate or other document issued by the Clearing Systems as to the face amount of Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error. In determining

whether a particular person is entitled to a particular face amount of Certificates as aforesaid, the Delegate may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

- (e) Subject to paragraph (d) above, the Issuer, the Counterparty, the Trustee, the Delegate and the Agents may deem and treat the holder of any Bearer Certificate as the owner thereof for all purposes. Except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Counterparty, the Trustee, the Delegate and the Agents shall not be affected by any notice to the contrary, whether or not the Certificate shall be overdue and notwithstanding any notation of ownership or other writing thereon. All payments made to any such holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable in respect of such Certificates.

2. STATUS

The Certificates represent undivided beneficial ownership interests in the Trust Assets and recourse in respect of the Certificates is limited in the manner described in Condition 5 (*Limited Recourse*). The Certificates rank and will rank, unless otherwise specified in the Issue Terms, *pari passu* without any preference among themselves.

3. THE TRUST

The Certificates are constituted by a Trust Instrument. Pursuant to the Trust Instrument, the Trustee holds the Issuer's rights, title, interest and benefit, present and future, in, to and under the Trust Assets upon trust absolutely for the holders of the Certificates *pro rata* according to the face amount of Certificates held by each holder in accordance with the Trust Instrument and the Conditions. The Issuer shall arrange that the Trust Assets are managed with a view to generating income sufficient to pay the Final Dissolution Amount and any Periodic Distributions.

4. UNDERLYING ASSETS

(a) Initial Underlying Assets

The Vendor will procure that the initial Underlying Assets as specified in the Issue Terms (the "**Initial Underlying Assets**") are delivered to the Custodian on the Issue Date, to the extent that such Underlying Assets are capable of being delivered. With effect from such delivery, the Underlying Assets will be held by the Custodian on behalf of the Issuer, subject to the Trust.

(b) Substitution at direction of the *Wa'd* Agent

The Issue Terms will specify whether the Initial Underlying Assets may be substituted from time to time for alternative underlying assets and, if substitution is applicable, such substitution shall be on the Market Value Basis. Where such substitution is applicable, the *Wa'd* Agent may, from time to time, at its cost and subject to the Trust Instrument, by giving not less than two Business Days' notice (a "**Substitution Notice**") in writing to the Issuer, the Delegate and the Counterparty (or a shorter period of notice if agreed between the relevant parties) (such Substitution Notice to be copied to the Principal Paying Agent, the

Custodian and the Calculation Agent) require that any securities or other assets for the time being comprising the Underlying Assets be replaced by Eligible *Shari'a* Assets.

A substitution may occur provided that:

- (A) upon any release of the substituted Underlying Assets from the Trust, the replacement Underlying Assets form part of the Trust;
- (B) all requirements of any relevant Stock Exchange or competent authority are complied with; and
- (C) any other conditions specified in the Issue Terms are complied with.

The *Wa'd* Agent shall bear and pay, and shall indemnify the Issuer and the Delegate against, all costs, expenses and taxes (including, without limitation, stamp duty) payable in connection with a substitution.

5. LIMITED RECOURSE

- (a) The proceeds of the Trust Assets are the sole source of payments on the Certificates. Save as provided in the next sentence, the Certificates do not represent an interest in or obligation of the Issuer or the Counterparty. Accordingly, Certificateholders, by subscribing for or acquiring the Certificates, acknowledge that they will have no recourse to any assets of (i) the Issuer other than the Trust Assets or (ii) the Counterparty (to the extent that the Counterparty has fulfilled its obligations under the Transaction Documents), in each case in respect of any shortfall in the expected amounts from the Trust Assets to the extent that the Trust Assets have been extinguished.
- (b) The net proceeds of realisation of, or enforcement with respect to, the Trust Assets may not be sufficient to make all payments due in respect of the Certificates. If, following the distribution of such proceeds in accordance with the Trust Instrument, there remains a shortfall in payments due under the Certificates, no holder will have any claim against the Issuer or against any assets of the Issuer (other than the Trust Assets to the extent not extinguished) in respect of such shortfall and any unsatisfied claims of Certificateholders shall be extinguished. In particular, no holder of Certificates will be able to petition for, or join any other person in instituting proceedings for, the reorganisation, liquidation, winding up or receivership of the Issuer as a consequence of such shortfall or otherwise.
- (c) None of the Delegate, the shareholders of the Issuer or any Dealer has any obligation to any Certificateholder for payment of any amount by the Issuer in respect of the Certificates.

6. PERIODIC DISTRIBUTIONS

(a) Application

This Condition 6 is applicable (as appropriate) to the Certificates only if Periodic Distribution is specified in the applicable Issue Terms as being applicable. If Periodic Distribution is not specified in the applicable Issue Terms as being applicable, no periodic distributions shall be payable in respect of the Certificates.

(b) **Fixed Periodic Distribution Certificates**

The Issuer (or the Principal Paying Agent on its behalf) shall distribute to holders of each Fixed Periodic Distribution Certificate a distribution on each Periodic Distribution Date equal to the Periodic Distribution Amount payable in respect of the Fixed Return Accumulation Period ending immediately prior to that Periodic Distribution Date.

Periodic Distribution Amounts to be distributed pursuant to this Condition 6(b), whether for a Fixed Return Accumulation Period or a period other than a Fixed Return Accumulation Period, shall be calculated by applying the Reference Rate to each Specified Denomination, multiplying such sum by the applicable Fixed Day Count Fraction, and shall be rounded in accordance with Condition 6(d) below.

(c) **Floating Periodic Distribution Certificates and Indexed Periodic Distribution Certificates**

(i) ***Periodic Distribution Dates***

The Issuer (or the Principal Paying Agent on its behalf) shall distribute to holders of each Floating Periodic Distribution Certificate or Indexed Periodic Distribution Certificate a distribution on either:

- (A) the Specified Periodic Distribution Date(s) in each year specified in the Issue Terms; or
- (B) if no Specified Periodic Distribution Date(s) is/are specified in the Issue Terms, each date which falls the number of months or other period specified as the Specified Period in the Issue Terms after the preceding Periodic Distribution Date or, in the case of the first Periodic Distribution Date, after the Periodic Distribution Commencement Date,

each a "**Periodic Distribution Date**".

In relation to each Periodic Distribution Date the distribution payable will be equal to the Periodic Distribution Amount calculated (in accordance with Condition 6(c)(iv) below) in respect of the Return Accumulation Period ending immediately prior to that Periodic Distribution Date.

(ii) ***Reference Rate***

The Reference Rate applicable from time to time in respect of Floating Periodic Distribution Certificates and Indexed Periodic Distribution Certificates will be determined in the manner specified in the Issue Terms.

(A) **ISDA Determination for Floating Periodic Distribution Certificates**

Where ISDA Determination is specified in the Issue Terms as the manner in which the Reference Rate is to be determined, the Reference Rate for each Return Accumulation Period will be determined as being equal to the relevant Reference ISDA Rate plus or minus (as indicated in the Issue Terms) the Margin (if any).

For the purposes of this sub-paragraph (A), "**Reference ISDA Rate**" for a Return Accumulation Period means a rate equal to the Floating Rate that would be determined by the Agent Bank under an interest rate swap transaction if the Agent Bank were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions and under which:

- (1) the Floating Rate Option is as specified in the Issue Terms;
- (2) the Designated Maturity is a period specified in the Issue Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**") for a currency, the first day of that Return Accumulation Period or (ii) in any other case, as specified in the Issue Terms.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the 2006 ISDA Definitions.

When this sub-paragraph (A) applies, in respect of each relevant Return Accumulation Period the Agent Bank or the Calculation Agent, as the case may be, will be deemed to have discharged its obligations under Condition 6(c)(iv) in respect of the determination of the Reference Rate if it has determined the Reference Rate in respect of such Return Accumulation Period in the manner provided in this sub-paragraph (A).

The use of ISDA Determination as the manner in which the Reference Rate is to be determined in respect of any Series will be subject to the approval of the Shari'a Board. The 2006 ISDA Definitions shall be used for interpretative purposes only in determining the Reference Rate and the Issuer shall not enter into any derivative transactions.

(B) Screen Rate Determination for Floating Periodic Distribution Certificates

Where Screen Rate Determination is specified in the Issue Terms as the manner in which the Reference Rate is to be determined, the Reference Rate for each Return Accumulation Period will, subject as provided below, be determined as being equal to either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Screen Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the relevant Periodic Distribution Determination Date plus or minus (as indicated in the Issue Terms) the Margin (if any), all as determined by the Agent Bank. If five or more of such offered quotations are

available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent Bank for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Reference Screen Rate in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such quotation appears or, in the case of (2) above, fewer than 3 such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Screen Rate from time to time in respect of Floating Periodic Distribution Certificates is specified in the Issue Terms as being other than LIBOR or EURIBOR, the Reference Rate in respect of such Certificates will be determined as provided in the Issue Terms.

- (C) Notwithstanding the above, the Reference Rate may be linked to one or more variables including, but not limited to, a share or a basket of shares, a commodity or a basket of commodities, an index or a basket of indices, a rate of exchange or a basket of rates of exchange, mutual funds, property or exchange traded funds (in each case as specified in the relevant Issue Terms and subject to the approval of the *Shari'a* Board).

(iii) ***Minimum and/or Maximum Reference Rate***

If the Issue Terms specify a Minimum Reference Rate for any Return Accumulation Period, then, in the event that the Reference Rate in respect of such Return Accumulation Period determined in accordance with the provisions of sub-paragraph (ii) above is less than such Minimum Reference Rate, the Reference Rate for such Return Accumulation Period shall be such Minimum Reference Rate.

If the Issue Terms specify a Maximum Reference Rate for any Return Accumulation Period, then, in the event that the Reference Rate in respect of such Return Accumulation Period determined in accordance with the provisions of sub-paragraph (ii) above is greater than such Maximum Reference Rate, the Reference Rate for such Return Accumulation Period shall be such Maximum Reference Rate.

(iv) ***Determination of Reference Rate and Periodic Distribution Amounts***

The Agent Bank (in the case of Floating Periodic Distribution Certificates) or the Calculation Agent (in the case of Indexed Periodic Distribution Certificates) will, on or as soon as practicable after each time at which the Reference Rate is to be determined, but in any event no later than the second Business Day thereafter, determine and notify the Issuer, the Trustee, the Delegate, the Counterparty (if any) and the Principal Paying Agent of (a) the Reference Rate for the relevant Return Accumulation Period and (b) the amount payable in respect of each Specified Denomination (each a "**Periodic Distribution Amount**") pertaining to such Return Accumulation Period.

The Periodic Distribution Amounts shall be calculated by applying the Reference Rate to each Specified Denomination, multiplying such sum by the applicable Floating Day Count Fraction and rounding the resultant amount in accordance with Condition 6(d) below.

(v) ***Publication of Reference Rate and Periodic Distribution Amounts***

The Principal Paying Agent will cause the Reference Rate and the Periodic Distribution Amounts for each Return Accumulation Period and the relevant Periodic Distribution Date to be notified to any Stock Exchange upon which the Certificates are (as specified in the Issue Terms) listed and to be published in accordance with relevant provisions relating to notices as soon as possible after their determination, but in any event no later than the fourth Business Day thereafter. The Periodic Distribution Amounts and the Periodic Distribution Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Return Accumulation Period. Any such amendment will be promptly notified as aforesaid to each Stock Exchange on which the relevant Floating Periodic Distribution Certificates or Indexed Periodic Distribution Certificates are for the time being listed and to the Certificateholders.

(vi) ***Determination or calculation by the Delegate***

If the Agent Bank or, as the case may be, the Calculation Agent at any material time defaults in its obligation to determine the Reference Rate or the Periodic Distribution Amounts in accordance with sub-paragraphs (ii) and (iv) above, the Delegate shall (a) determine the Reference Rate at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in sub-paragraph (ii) above), it shall deem fair and reasonable in all the circumstances and (b) calculate the Periodic Distribution Amounts in the manner specified in sub-paragraph (iv) above. Such determination and calculation shall be deemed to be a determination and calculation by the Agent Bank or, as the case may be, the Calculation Agent.

(vii) ***Notifications to be final***

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions summarised under this Condition whether by the Agent Bank, the Calculation Agent or the Delegate, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Counterparty, the Agent Bank, the Calculation Agent, the Trustee, the Delegate, the Paying Agents and all Certificateholders, as applicable, and (subject as aforesaid) no liability to the Certificateholders shall attach to the Agent Bank, the Calculation Agent or the Delegate (as applicable) in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to this Condition.

(d) **Rounding in respect of all Certificates**

All amounts resulting from any calculations referred to in these provisions will be rounded downwards to the nearest unit or sub-unit of currency or as described in the Issue Terms.

(e) **Cessation of periodic distributions**

No further amounts in respect of periodic distributions will be payable in respect of any Certificate for the period from and including the Maturity Date or, as the case may be, the Dissolution Date.

7. CAPITAL DISTRIBUTIONS OF THE TRUST

(a) Scheduled dissolution

Unless the Certificates are previously redeemed, the Issuer will redeem each Certificate on the Maturity Date at the Final Dissolution Amount together with any Periodic Distribution Amount payable. Upon payment in full of such amounts to the Certificateholders, the Issuer shall have disposed of any remaining Trust Assets, the Trust will terminate, the Certificates shall cease to represent Trust Assets, no further amounts shall be payable in respect thereof and the Issuer and the Trustee shall have no further obligations in respect thereof.

(b) Early dissolution for taxation reasons

(i) If:

- (A)** the Issuer, on the occasion of the next payment due in respect of the Certificates, would be required by law to withhold or account for tax or would suffer tax in respect of the receipt of payments under the *Shari'a* Contract (including the deductions of tax from such payments) or otherwise in respect of the Trust Assets so that it would be unable to make payment of the full amount payable on the Certificates without recourse to other sources of funding, or
- (B)** the cost to the Issuer of complying with its obligations under the Trust Instrument or meeting its operating or administrative expenses would, in the opinion of the Issuer, be materially increased compared to such cost as of the Issue Date (including, without limitation, as a result of any adverse change in tax rulings in respect of the Issuer or any adverse change of law or practice (or interpretation or administration of the same) which applies to the Issuer), or
- (C)** the Issuer would be required to account for any tax or suffer tax in respect of receipt of payments (whether actual or deemed) under the *Shari'a* Contract or otherwise in respect of the Trust Assets as a result of the then accounting treatment, as certified by two directors of the Issuer,

then the Issuer shall so inform the Delegate, the Principal Paying Agent, the Calculation Agent and the Counterparty.

The date on which any such withholding or deduction is suffered or increased amount is payable is referred to as the "**Tax Shortfall Date**". The Issuer shall use its reasonable endeavours to arrange the substitution of itself as issuer of the Certificates with a company, approved by the Delegate (and in the case of Certificates that are rated, subject to Rating Agency Confirmation and/or Rating Agency Affirmation, as the case may be), incorporated in another jurisdiction wherein (in respect of sub-paragraphs (A) and (C) of Condition 7(b)(i)) such withholding would not be applicable, or such tax would not be accountable or

suffered, or (in respect of sub-paragraph (B) of Condition 7(b)(i)) such costs or operating or administrative expenses would not materially exceed the Issuer's costs or operating or administrative expenses prior to the increase and the company concerned would not be in any worse position following the substitution than the Issuer was in before the event occurred which resulted in the Issuer being obliged to use reasonable endeavours to substitute in accordance with this provision.

- (ii) If the Issuer is unable to arrange such substitution before the relevant Tax Shortfall Date, in the case of Condition 7(b)(i)(A), the Counterparty shall have the right, but not the obligation, in its sole discretion, under the *Shari'a* Contract to pay to the Issuer such amounts as will enable it (after any such withholding, accounting or suffering) to pay (and in such event, the Issuer will be obliged to pay) to the Certificateholders the amounts which they would have received in the absence of such withholding, accounting or suffering.

If the event referred to in Condition 7(b)(i)(B) or (C) has occurred, the Counterparty shall have the right, but not the obligation, before the Tax Shortfall Date, to make additional payments to the Issuer so that the Issuer would not be in any worse position as a result of the occurrence of such event.

- (iii) If the Counterparty does not exercise such right as referred to in paragraph (ii) above within 10 Business Days of the Tax Shortfall Date, the Issuer shall give an Initial Redemption Notice. Upon calculation of the Early Dissolution Amount (if necessary) and receipt by the Issuer of funds in respect thereof pursuant to the *Shari'a* Contract or otherwise, the Issuer shall give a Second Redemption Notice and redeem the Certificates in full at the Early Dissolution Amount. Upon payment in full of such amounts to the Certificateholders, the Trust will terminate, the Certificates shall cease to represent Trust Assets, no further amounts shall be payable in respect thereof and the Issuer and the Trustee shall have no further obligations in respect thereof.
- (iv) Notwithstanding the foregoing, if the requirement to withhold or account for any of the taxes referred to in this Condition arises:
 - (A) owing to any connection of any Certificateholder with the taxing jurisdiction to which the Issuer is subject otherwise than by reason only of the holding of any Certificate or receiving dissolution amounts or periodic distributions in respect thereof; or
 - (B) by reason of the failure by the relevant Certificateholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax; or
 - (C) where such withholding or deduction is imposed on payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
 - (D) in circumstances which could have been avoided if the relevant Certificateholder presented the relevant Certificate to another Paying Agent in a Member State of the European Union,

then to the extent it is able to do so, the Issuer shall deduct such taxes from the amounts payable to such Certificateholder and the provisions of the preceding paragraph shall not apply. Any such deduction shall not constitute a Dissolution Event under Condition 10 (*Dissolution Events*).

(c) **Mandatory dissolution**

If the *Shari'a* Contract is terminated (in whole but not in part) for any reason other than as a consequence of any specific Conditions relating to redemption of the Certificates, the Issuer shall give an Initial Redemption Notice as soon as reasonably practicable thereafter. Upon calculation of the Early Dissolution Amount (if necessary) and receipt by the Issuer of funds in respect thereof pursuant to the *Shari'a* Contract or otherwise, the Issuer shall give a Second Redemption Notice and redeem the Certificates in full at the Early Dissolution Amount. Upon payment in full of such amounts to the Certificateholders, the Trust will terminate, the Certificates shall cease to represent Trust Assets, no further amounts shall be payable in respect thereof and the Issuer and the Trustee shall have no further obligations in respect thereof.

(d) **Dissolution at the option of the Issuer**

- (i) The Issue Terms may specify that the Issuer has the option to redeem all or some of the Certificates on the Optional Call Dissolution Date(s) at the Optional Call Dissolution Amount.
- (ii) The Issuer may only exercise such option by giving notice to the Certificateholders, the Delegate, the Counterparty and the Principal Paying Agent at least 5 Business Days' prior to the Optional Call Dissolution Date within the Issuer's Option Period (as specified in the Issue Terms).
- (iii) In the case of a partial dissolution of the Certificates, the Certificates to be redeemed will be selected individually by lot (where the Certificates are in definitive form) or in accordance with the rules of the Clearing Systems (where the Certificates are in global form).
- (iv) Upon payment in full of the Optional Call Dissolution Amount, the Trust (or a proportionate part thereof which corresponds to the redeemed Certificates) will terminate, the redeemed Certificates shall cease to represent Trust Assets, no further amounts shall be payable in respect of the redeemed Certificates and the Issuer and the Trustee shall have no further obligations in respect thereof.

(e) **Dissolution at the option of the Certificateholders**

- (i) The Issue Terms may specify that the Issuer shall, at the option of the Certificateholders (either individually or acting together, subject to a minimum percentage of all the Certificateholders, as specified in the Issue Terms), redeem all or some of the Certificates on the Optional Put Dissolution Date at the Optional Put Dissolution Amount.
- (ii) A Certificateholder may only exercise such option by giving notice to the Issuer at least 15 Business Days prior to the Optional Put Dissolution Date within the Certificateholder's Option Period (as specified in the Issue Terms). If the

Certificates are in definitive form, the Certificateholder must deposit the relevant Certificate at the specified office of a Paying Agent together with a duly completed and signed notice of exercise (the "**Put Notice**"). If the Certificates are represented by a Global Certificate, to exercise the right to require redemption of the Certificate the Certificateholder must, within the notice period, give notice of such exercise in accordance with the standard procedures of the Clearing Systems (which may include notice being given on his instruction by the Clearing Systems or any common depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to the Clearing Systems from time to time and, at the same time, present or procure the presentation of the relevant Global Certificate to the Principal Paying Agent for notation accordingly.

- (iii) Any Put Notice shall be irrevocable except where, prior to the due date of dissolution, a Dissolution Event shall have occurred and be continuing and the Delegate shall have declared the Certificates due and payable in full. In such event, a Certificateholder may, at its option, elect to withdraw the Put Notice.
- (iv) Upon payment in full of the Optional Put Dissolution Amount, the Trust (or a proportionate part thereof which corresponds to the redeemed Certificates) will terminate, the redeemed Certificates shall cease to represent Trust Assets, no further amounts shall be payable in respect of the redeemed Certificates and the Issuer and the Trustee shall have no further obligations in respect thereof.

(f) **Cancellation**

All Certificates redeemed early or purchased by the Issuer pursuant to the Issue Terms or surrendered for cancellation by the Counterparty shall be cancelled and may not be reissued or resold.

(g) **Dissolution Amount**

The Dissolution Amount may be linked to one or more variables including, but not limited to, a share or a basket of shares, a commodity or a basket of commodities, an index or basket of indices, a rate of exchange or a basket of rates of exchange, mutual funds, property or exchange traded funds (in each case as specified in the relevant Issue Terms and subject to the approval of the *Shari'a* Board).

8. PURCHASE

- (a) The Issue Terms will specify whether the Issuer may, through the Counterparty, provided that no Dissolution Event has occurred and is continuing, purchase Certificates (or any of them) at any time in the open market or otherwise at any price. The Issuer shall not purchase any definitive Bearer Certificate unless it purchases all unmatured Distribution Vouchers (if any) in respect of such Bearer Certificate.
- (b) On any such purchase by the Issuer through the Counterparty and upon any surrender for cancellation of any Certificates held by the Counterparty on its own behalf:
 - (i) the *Shari'a* Contract (or a proportionate part thereof which corresponds to the Certificates purchased) will be terminated in accordance with its terms (which shall include the delivery of the Underlying Assets (or, subject to Condition 8(c) below, a

proportionate part thereof which correspond to the Certificates purchased) by the Issuer to the Counterparty in consideration for such purchase on its behalf);

- (ii) the Certificates purchased or surrendered shall be cancelled pursuant to Condition 7(f);
 - (iii) the Trust (or a proportionate part thereof which corresponds to the Certificates cancelled) will terminate and the cancelled Certificates shall cease to represent Trust Assets; and
 - (iv) no further amounts shall be payable in respect of the cancelled Certificates and the Issuer and the Trustee shall have no further obligations in respect thereof and, for the avoidance of doubt, no periodic distribution shall be payable with respect to a Certificate purchased in respect of the period from the Issue Date or the previous Periodic Distribution Date, as the case may be, to the date of such purchase.
- (c) For the purposes of Condition 8(b)(i) above, where it is not possible to deliver a proportionate part of the Underlying Assets to correspond to the Certificates purchased, the Underlying Assets to be delivered will be reduced to the nearest whole unit.

9. PAYMENTS

- (a) Payments of dissolution amounts in respect of Bearer Certificates or a Bearer Global Certificate will be made at the specified office of any of the Paying Agents against surrender (or, in the case of partial payment, endorsement) of the Bearer Certificates or the Bearer Global Certificate, as the case may be. Payments of periodic distributions, if applicable, in respect of Bearer Certificates or a Bearer Global Certificate due on a Periodic Distribution Date will be made at the specified office of any of the Paying Agents outside the United States (which expression, as used herein, means the United States of America (including the States thereof, the District of Columbia and the territories, possessions and other areas subject to the jurisdiction of the United States of America)), subject as provided in subparagraph (c) below, against surrender (or, in the case of partial payment, endorsement) of the relevant Distribution Vouchers or, as applicable, against endorsement of the Bearer Global Certificate.

Such payments shall be made by a cheque payable in the Currency of Issue drawn on, or, at the option of the holder, by transfer to an account denominated in the Currency of Issue with, a bank in the city specified in the Issue Terms as the place of payment, or, in the case of the euro, a city in which banks have access to the Target2 System, subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

The Paying Agent to which a Bearer Global Certificate shall have been presented for payment shall endorse on such Bearer Global Certificate a record of each payment made, distinguishing between any payment of dissolution amounts and any payment of periodic distributions. Such record shall be *prima facie* evidence that the payment in question has been made.

As long as Bearer Certificates are represented by a Bearer Global Certificate, each of the persons shown in the records of the Clearing Systems as the holder of a Bearer Certificate must look solely to the Clearing Systems for his share of each payment so made by the

Issuer to the bearer of the Bearer Global Certificate, subject to and in accordance with the respective rules and procedures of the Clearing Systems.

Such persons shall have no claim directly against the Issuer in respect of payments due on the Bearer Certificates for so long as the Bearer Global Certificate is outstanding. The Issuer will be discharged by payment to the bearer of the Bearer Global Certificate in respect of each amount so paid.

Notwithstanding the foregoing, payments on a Temporary Bearer Global Certificate due prior to the Exchange Date will only be made upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. No payments due after the Exchange Date will be made on the Temporary Bearer Global Certificate.

- (b) Each Bearer Certificate should be presented for payment together with, if applicable, all unmatured related Distribution Vouchers. If any Bearer Certificate in respect of a Fixed Periodic Distribution Certificate is presented for payment without, if applicable, all unmatured related Distribution Vouchers (not being a Talon), the full amount of any such missing unmatured Distribution Voucher (or, in the case of payment not being made in full, that proportion of the full amount in the Currency of Issue of such missing unmatured Distribution Voucher which the dissolution amount so paid bears to the total amount of dissolution amount due) will be deducted from the dissolution amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of the relative missing Distribution Voucher at any time thereafter but before the expiry of a period of 10 years from the Relevant Date (as defined in Condition 13 (*Prescription*)) for the payment of such dissolution amount (whether or not such Distribution Voucher would otherwise have become void pursuant to Condition 13 (*Prescription*)) or, if later, five years from the date for payment stated on such Distribution Voucher, but not thereafter. All (if any) unmatured Talons and all unmatured Distribution Vouchers appertaining to a Floating Periodic Distribution Certificate or Indexed Periodic Distribution Certificate (whether or not attached to the relative Bearer Certificate) shall become void upon the date on which such Bearer Certificate becomes due and payable in full and no payment or exchange shall be made in respect thereof.
- (c) No payments of dissolution amounts and/or periodic distributions in respect of Bearer Certificates denominated in U.S. dollars will be made at the specified office of any Paying Agent in the United States. Notwithstanding the foregoing, such payments of dissolution amounts and/or periodic distributions will be made at the specified office of any Paying Agent in the United States if:
 - (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of dissolution amounts and periodic distributions on such Certificates in the manner provided above when due;
 - (ii) payment of the full amount of such dissolution amounts and periodic distributions at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of such amounts in U.S. dollars; and

- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

If no appointment of a Paying Agent with a specified office in the United States is then in effect, the Issuer shall appoint a Paying Agent with a specified office in New York City at which such payments will be made. Notice of any termination or appointment of a Paying Agent and of any changes in the specified offices of the Paying Agents will be given to the Certificateholders in accordance with Condition 15 (*Notices*).

- (d) After all the Distribution Vouchers attached to or issued in respect of a definitive Bearer Certificate have matured, further Distribution Vouchers and, where applicable, one further Talon will (subject to Condition 13 (*Prescription*)) be issued against surrender of the relevant Talon at the specified office of any Paying Agent.
- (e) If the due date for payment of any amount of dissolution amount or, if applicable, periodic distributions in respect of any Certificate is not a Payment Day, the holder of such Certificate shall not be entitled to payment until the next following Payment Day and shall not be entitled to any further periodic distributions or other payment in respect of any such delay. If a Certificate is presented for payment at a time when, as a result of differences in time zones, it is not practicable to transfer the relevant amount to an account for value on the date of presentation, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to such account for value on the first practicable date after the date of presentation.
- (f) Subject as provided in this Condition 9 (*Payments*):
 - (i) payments in a Currency of Issue other than euro will be made by credit or transfer to an account in the relevant Currency of Issue (which, in the case of a payment in Japanese yen to a non resident of Japan, shall be a non resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Currency of Issue drawn on, a bank in the principal financial centre of the country of such Currency of Issue (which, if the Currency of Issue is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
 - (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable to such payments in the place of payment.

- (g) Unless otherwise specified in the Issue Terms, any reference in these Conditions to dissolution amounts in respect of the Certificates shall be deemed to include, as applicable:
 - (i) any additional amounts which the Counterparty may elect to pay to the Issuer with respect to dissolution amounts under Condition 7(b) (*Early dissolution for taxation reasons*);
 - (ii) the Final Dissolution Amount of the Certificates;
 - (iii) the Early Dissolution Amount of the Certificates;

- (iv) the Optional Call Dissolution Amount(s) (if any) or Optional Put Dissolution Amount(s) of the Certificates; and
- (v) any other amounts (other than periodic distributions) which may be payable by the Issuer under or in respect of the Certificates.

Any reference in these Conditions to periodic distributions in respect of the Certificates shall be deemed to include, as applicable, any additional amounts which the Counterparty may elect to pay with respect to periodic distributions under Condition 7(b) (*Early dissolution for taxation reasons*).

10. DISSOLUTION EVENTS

Upon the occurrence of a Dissolution Event, the Delegate at its discretion may, and, if requested by the Instructing Party, shall, (in each case, subject to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer, the Counterparty and all the holders of the Certificates (in accordance with Condition 15 (*Notices*)) that the Certificates are to be redeemed at the Early Dissolution Amount on the date specified in such notice. Upon payment in full of such amounts, the Trust will terminate, the Certificates shall cease to represent the Trust Assets, no further amounts shall be payable in respect of the Certificates and the Issuer and the Trustee shall have no further obligations in respect thereof.

"Dissolution Event" means any of the following events:

- (a) if default is made for a period of 14 days or more in the payment of any sum due in respect of the Certificates or any of them; or
- (b) if the Issuer fails to perform or observe any of its other obligations under the Certificates or the Trust Instrument and (except where in the opinion of the Delegate, such failure is not capable of remedy when no continuation of such failure or notice served by the Delegate shall be required) such failure continues for a period of 30 days (or such longer period as the Delegate may permit) after notice requiring the same to be remedied shall have been given to the Issuer by the Delegate and the Delegate shall have certified such failure is, in its opinion, materially prejudicial to the interests of the Certificateholders; or
- (c) if any order shall be made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer other than for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangements on terms previously approved by an Extraordinary Resolution of the Certificateholders.

11. ENFORCEMENT

Upon the occurrence of a Dissolution Event and the giving of notice to the Issuer by the Delegate in accordance with Condition 10, to the extent that the amounts payable in respect of the Certificates of any Series have not been paid in full pursuant to Condition 10, the Delegate may, at its discretion and without further notice, and, if requested by the Instructing Party, shall, (in each case, subject to being indemnified and/or secured and/or prefunded to its satisfaction) take one or more of the following steps:

- (d) enforce the provisions of the Transaction Documents (including, for the avoidance of doubt, the *Shari'a* Contract) against the parties thereto;
- (e) sell, transfer or dispose of or otherwise realise the value of the Trust Assets, including any Underlying Assets which form part of the Trust Assets; and/or
- (f) take such other steps as the Delegate may consider necessary in its absolute discretion to protect the interests of the Certificateholders.

Notwithstanding the foregoing, the Delegate may at any time, at its discretion and without notice, take such proceedings, actions and/or other steps as it may think fit against or in relation to each of the Issuer and/or the Counterparty to enforce their respective obligations under the Transaction Documents, these Conditions and the Certificates.

No Certificateholder shall be entitled to proceed against the Issuer or the Counterparty unless the Delegate, having become bound so to proceed, fails so to do within a reasonable time and such failure is continuing.

After enforcing or realising the Trust Assets and distributing the proceeds of such Trust Assets in accordance with the Trust Instrument, the obligations of the Issuer in respect of the Certificates shall be satisfied and no holder of the Certificates may take any further steps against the Issuer, the Trustee, the Delegate or any other person to recover any further sums in respect of the Certificates and the right to receive any sums unpaid shall be extinguished.

12. SHARI'A COMPLIANCE

By purchasing Certificates of any Series, each Certificateholder is deemed to have agreed that, notwithstanding anything to the contrary contained in these Conditions or any Transaction Document:

- (g) it has made its own investigation into, and satisfied itself as to, the *Shari'a*-compliance of the Certificates and the Transaction Documents;
- (h) all necessary action to confirm that the Certificates and the Transaction Documents are *Shari'a* compliant has been taken (including the obtaining of a fatwa where required);
- (i) it will not claim any dispute on the grounds of *Shari'a*-compliance of the Certificates or the Transaction Documents; and
- (j) it has not relied on HSBC Bank plc or the Delegate or any written declaration, fatwa, opinion or other documents prepared by, on behalf of or at the request of HSBC Bank plc for the purposes of a determination or confirmation that the Certificates and the Transaction Documents are *Shari'a* compliant.

13. PRESCRIPTION

Claims under the Bearer Certificates, the Bearer Global Certificates and, if applicable, the Distribution Vouchers (which for this purpose shall not include Talons) will be prescribed and become void unless the same are presented for payment within a period of 10 years in the case of dissolution amounts and five years in the case of periodic distributions from the

Relevant Date relating thereto. Talons may not be exchanged for Distribution Vouchers which would be void on issue.

For this purpose, the "**Relevant Date**" means the date on which the payment in respect of the Certificate or the Distribution Voucher first becomes due and payable. However, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or the Delegate on or prior to such date, the "**Relevant Date**" means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Certificateholders in accordance with Condition 15 (*Notices*).

14. REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and Stock Exchange or other relevant authority rules or regulations, at the specified office of the Principal Paying Agent (or such other place of which notice shall have been given in accordance with Condition 15 (*Notices*)). Such replacement is subject to payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15. NOTICES

All notices regarding Bearer Certificates will be valid if published (i) in one leading London daily newspaper or, if this is not possible, in one other English language daily newspaper approved by the Delegate with general circulation in Europe and (ii) if and for so long as the Certificates are traded on the Irish Stock Exchange and the Irish Stock Exchange so requires, via the Companies Announcements Office of the Irish Stock Exchange or in one daily newspaper published in Ireland approved by the Delegate. It is expected that such publication will be made in (i) the *Financial Times* and (if applicable) (ii) the *Irish Times*.

All notices regarding Certificates represented by a Bearer Global Certificate will be valid if published as described above or if delivered to the Clearing Systems for communication by them to the Certificateholders. Any notice delivered to a Clearing System as aforesaid shall be deemed to have been given on the day of such delivery.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other Stock Exchange on which the Certificates are for the time being listed to the extent that such rules and regulations are applicable in relation to the relevant notice.

Any notice published in a newspaper as aforesaid shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication or if published in two newspapers on the date of the first such publication in both newspapers. If publication is not practicable in any such newspaper as is mentioned above, notice will be valid if given in such other manner, and shall be deemed to have been given on such date, as the Delegate shall determine.

16. AGENTS

The Issue Terms will specify the relevant Agents in respect of the Certificates. The duties of each of the Agents shall be as specified in the Trust Instrument and in the Issue Terms in respect of the Certificates.

The Issuer reserves the right, subject to the prior written approval of the Delegate and the Counterparty, at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that it will at all times maintain Agents as specified in the Issue Terms.

17. RESTRICTIONS

So long as any of the Certificates remains outstanding, the Issuer will not, without the prior written consent of the Delegate and the Counterparty:

- (a) engage in any activity or do anything whatsoever, except:
 - (i) issue Certificates subject to a maximum aggregate face amount outstanding at any time of U.S.\$50,000,000,000 (or its equivalent in other currencies);
 - (ii) acquire and own Underlying Assets and exercise its rights and perform its obligations in respect thereof;
 - (iii) enter into and perform its obligations under the Transaction Documents;
 - (iv) enforce any of its rights under the Transaction Documents, any Certificates or the Trust Assets;
 - (v) as permitted by sub-paragraph (b) below; and
 - (vi) perform any act incidental to or necessary in connection with any of the above;
- (b) have any Subsidiaries except, if the Issuer has issued rated Certificates, with the written consent of the relevant Rating Agency and, in any event, only Subsidiaries:
 - (i) which are wholly owned by the Issuer;
 - (ii) whose share capital is fully paid up by the Issuer;
 - (iii) whose activities are limited to the same extent as those of the Issuer under the Trust Instrument (including, without limitation, the terms of any certificates issued by such Subsidiary being required to be on substantially the same terms as those of the Certificates); and
 - (iv) in respect of whose activities the Issuer will have no liability;
- (c) subject to sub-paragraph (a) above, dispose of any of its property or other assets or any part thereof or interest therein (otherwise than in accordance with Condition 8 (*Purchase*));

- (d) create or permit within its control to subsist any charge, mortgage, lien or other encumbrance over the Trust Assets other than pursuant to the Transaction Documents;
- (e) have any employees;
- (f) declare any dividends or make any distributions of any other kind;
- (g) issue any further shares;
- (h) take any action which would lead to the dissolution, liquidation or winding up of itself (including, without limitation, the filing of documents with the court or the service of a notice of intention to appoint an administrator) or to the amendment of its constitutional documents; or
- (i) perform such other activities as are expressly restricted in the Trust Instrument.

18. MEETINGS OF CERTIFICATEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Instrument contains provisions for convening meetings of Certificateholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of the Issue Terms or other provisions of the Trust Instrument. The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing in aggregate not less than $66 \frac{2}{3}$ per cent. in aggregate Outstanding Face Amount of the Certificates for the time being outstanding, or at any adjourned such meeting one or more persons being or representing Certificateholders whatever the Outstanding Face Amount of the Certificates so held or represented. An Extraordinary Resolution passed at any meeting of Certificateholders or in the form of a written resolution (as described in the Trust Instrument) will be binding on all Certificateholders, whether or not they are present at the meeting.

The Delegate may agree, without the consent of the Certificateholders (but, in the case of Certificates which are rated, subject to Rating Agency Confirmation and/or notification to Moody's, as the case may be), to any modification of, or to any waiver or authorisation of any breach or proposed breach of, any of the Issue Terms or any other Transaction Document as set out in the next sentence and as more fully set out in the Trust Instrument. The Delegate may so agree if, in the opinion of the Delegate, (a) any such modification, waiver or authorisation is not materially prejudicial to the interests of the Certificateholders or (b) any such modification is of a formal, minor or technical nature or to correct a manifest error. The Delegate may determine, without any such consent as aforesaid, that any Dissolution Event or Potential Dissolution Event shall not be treated as such provided that it is not, in the opinion of the Delegate, materially prejudicial to the interests of the Certificateholders. No such modification shall be effective without the consent of the Counterparty (such consent not to be unreasonably withheld or delayed).

Subject as provided in the Trust Instrument, the Delegate, if it is satisfied that it would not be materially prejudicial to the interests of the Certificateholders, may agree, without the consent of the Certificateholders (but, in the case of Certificates which are rated, subject to Rating Agency Confirmation and/or Rating Agency Affirmation, as the case may be), to the substitution of any other company in place of the Issuer as issuer of the Certificates and as a

party to the Trust Instrument and the Transaction Documents. No such substitution shall be effective without the consent of the Counterparty (such consent not to be unreasonably withheld or delayed). Under the Trust Instrument, the Delegate may require the Issuer to use its reasonable endeavours to procure the substitution as issuer of the Certificates of a company incorporated in some other jurisdiction than that of the Issuer upon the occurrence of one of the events referred to in Condition 7(b)(i) (*Early dissolution for taxation reasons*).

In connection with any exercise of its trusts, powers, authorities or discretions, the Delegate shall not have regard to the consequences of such exercise for individual Certificateholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. In connection with any such exercise, no person shall be entitled to claim, whether from the Issuer, any substitute Issuer, the Counterparty, the Delegate or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon any person.

Any such modification, waiver, authorisation, determination or substitution shall be binding on the Counterparty and all Certificateholders and, unless the Delegate agrees otherwise, any such modification or substitution shall be notified to the Certificateholders by the Issuer as soon as practicable thereafter.

19. FURTHER ISSUES

The Issuer shall be at liberty from time to time, without the consent of the Certificateholders (but subject to the consent of the Counterparty in the case of (a) below), to create and issue further securities either:

- (a) so as to be consolidated and form a single Series with the Certificates (such further Certificates, the "**Further Fungible Certificates**"), provided that the Issuer acquires additional Underlying Assets to form part of the Trust Assets for the original issue of Certificates and any Further Fungible Certificates on a Market Value Basis (in such proportion as to correspond to the Further Fungible Certificates issued) and enters into an additional or supplemental *Shari'a* Contract (and references to "**Certificates**", "**Underlying Assets**", "**Trust Assets**" and "***Shari'a* Contract**" shall thereafter be deemed to be references to such terms as amended to take into account the further issue); or
- (b) to form a separate Series from the Certificates upon such terms as to periodic distributions, dissolution amounts and otherwise as the Issuer may, in its absolute discretion, at the time of the issue thereof determine.

Any such certificates shall be constituted in accordance with the Trust Instrument. The Trust Instrument contains provisions for convening a single meeting of the Certificateholders and the holders of certificates of other Series in certain circumstances where the Delegate so decides.

For the purposes of sub-paragraph (a) above, where it is not possible to acquire Underlying Assets in such proportion as to correspond to the Further Fungible Certificates issued, the Underlying Assets to be acquired will be increased to the nearest whole unit.

20. LIABILITIES AND INDEMNIFICATION OF THE TRUSTEE

The Trust Instrument contains provisions for the indemnification of the Delegate and for its relief from responsibility, including provisions relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Delegate is entitled to enter into business transactions with the Issuer, the Counterparty, the *Wa'd* Agent, any obligor in respect of the Underlying Assets or any of their subsidiary or associated companies without accounting for any profit resulting therefrom.

The Delegate is exempted from any liability in respect of any loss or theft of the Trust Assets, from any obligation to insure the Trust Assets and from any claim arising from the fact that the Trust Assets is held in a clearing system or in safe custody by a bank or other custodian. The Trust Instrument also provides that the Delegate shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Trust Assets and is not bound to make any investigation into the same or into the Trust Assets in any respect.

The Delegate shall not be bound or concerned to make any investigation into the creditworthiness of any obligor in respect of the Trust Assets, the validity of any such obligor's obligations under or in respect of the Trust Assets or any of the terms of the Underlying Assets or to monitor the value of any Underlying Assets.

21. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Certificate under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

22. GOVERNING LAW

The Trust Instrument and the Certificates and any non-contractual obligations arising out of or in connection with such agreements are governed by, and will be construed in accordance with, English law.

23. DISPUTE RESOLUTION

- (a) Each of the Issuer and the Counterparty has in the Trust Instrument irrevocably agreed for the benefit of the Trustee, the Delegate and the Certificateholders that the courts of England are to have exclusive jurisdiction to settle any dispute, suit, action or proceeding (together referred to as "**Proceedings**") which may arise out of or in connection with the Trust Instrument and the Certificates and has accordingly submitted to the exclusive jurisdiction of the English courts.
- (b) Each of the Issuer and the Counterparty has also agreed to waive any objection to the Proceedings on the grounds that they are in an inconvenient or inappropriate forum and has agreed that a judgment in any Proceedings brought in the English courts shall be conclusive and binding on it and may be enforced in the courts of any other jurisdiction.
- (c) The Trustee, the Delegate and the Certificateholders may bring Proceedings under the Trust Deed and the Certificates in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

- (d) The Issuer has in the Trust Instrument appointed an agent in London for service of process in England in respect of any Proceedings and has undertaken that in the event of such person ceasing so to act it will appoint such other person as the Delegate may approve.

24. DEFINITIONS

Capitalised terms used in these Conditions have the meanings given to them in the Definitions Module as modified and supplemented by the relevant Trust Instrument and/or Issue Terms.

REGISTERED CERTIFICATES CONDITIONS MODULE

MAY 2011 EDITION

**for use in
an issue of Trust Certificates
arranged by
HSBC BANK PLC**

REGISTERED CERTIFICATES CONDITIONS MODULE

MAY 2011 EDITION

This Registered Certificates Conditions Module modifies and supplements the basic terms and conditions for Certificates governed by English law as set out in the Bearer Certificates Base Conditions Module and will apply in respect of all Series of Certificates issued in registered form. Other Conditions Modules will apply in addition, as specified in the Issue Terms.

All references to "Bearer Certificates" in the Bearer Certificates Base Conditions Module will be deemed to be references to "Registered Certificates".

All references to "Principal Paying Agent" and "Paying Agent" in the Bearer Certificates Base Conditions Module will, where the context so requires, be deemed to be references to the "Registrar".

Condition 1 as set out in the Bearer Certificates Base Conditions Module will not apply and the following Condition 1 shall be substituted therefor.

1. FORM, DENOMINATION AND TITLE

1.1 Form, denomination and title

- (a) Registered Certificates are in the Specified Denomination(s) specified in the Issue Terms and integral multiples thereof.

Title to Registered Certificates will pass by transfer and registration in accordance with Condition 1.4 (*Transfer of Registered Certificates*) and in accordance with the terms of the Trust Instrument and the Agency Agreement.

- (b) Unless otherwise provided in the Issue Terms, Registered Certificates will be represented by a Registered Global Certificate, deposited with a Common Depositary and registered in the name of a nominee of Euroclear and Clearstream, Luxembourg. Prior to the expiry of the Distribution Compliance Period, beneficial interests in a Registered Global Certificate may not be offered or sold to, or for the account or benefit of, a U.S. person and may not be held otherwise than through Euroclear and Clearstream, Luxembourg.
- (c) No beneficial owner of an interest in a Registered Global Certificate will be able to exchange or transfer that interest, except in accordance with the applicable procedures of the Clearing Systems. In addition, Registered Global Certificates and, if applicable, any Definitive Registered Certificates will be subject to certain restrictions on transfer set out in a legend or legends thereon.
- (d) For so long as any of the Certificates is represented by a Registered Global Certificate held by a Common Depositary, each person who is for the time being shown in the records of the Clearing Systems as entitled to a particular face amount of Certificates shall be deemed to be the holder of such face amount of Certificates for all purposes other than with respect to the payment of dissolution amounts, periodic distributions or other such amounts on such Certificates. With respect to such a payment, such Common Depositary shall be deemed to be the holder of such face amount of Certificates in accordance with and subject to the terms

of the relevant Registered Global Certificate. Any certificate or other document issued by the Clearing Systems as to the face amount of Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error. In determining whether a particular person is entitled to a particular face amount of Certificates as aforesaid, the Delegate may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

- (e) Subject to paragraph (d) above, the Issuer, the Counterparty, the Trustee, the Delegate and the Agents may deem and treat the person or persons in whose name(s) a Registered Certificate is registered as the absolute owner(s) of such Certificate for all purposes. Except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Counterparty, the Trustee, the Delegate and the Agents shall not be affected by any notice to the contrary, whether or not the Certificate shall be overdue and notwithstanding any notation of ownership or other writing thereon. All payments made to any such person shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable in respect of such Certificates.

1.2 Registration

The Issuer will cause to be kept at the specified office of the Registrar for the time being, and at the registered office of the Issuer, the Register. The Issuer will procure that, as soon as practicable after the Issue Date, the Register is duly made up in respect of the subscribers of the Registered Certificates and certificates for the Registered Certificates will be despatched.

The Issuer has initially appointed the person named as Registrar in the Issue Terms acting through its specified office set out in the Issue Terms. The Issuer may also appoint one or more Transfer Agents for the purpose of facilitating exchanges of Certificates, in which case references in the following provisions of this Condition and in Conditions 1.3 (*Exchange of Registered Certificates*) and 1.4 (*Transfer of Registered Certificates*) to the Registrar shall include, where the context so permits, references to such Transfer Agent(s).

The Issuer reserves the right, with the prior written approval of the Delegate, at any time to vary or terminate the appointment of the Registrar and to appoint another or a further Registrar, provided that there will at all times be a Registrar with a specified office in such place as the Delegate may approve. Any variation or termination of appointment shall only take effect (other than in the case of insolvency of the Registrar, when it shall be of immediate effect) after not more than 60 nor less than 45 days' notice thereof shall have been given to the Certificateholders in accordance with Condition 15 (*Notices*) and any change in the Specified Office of the Registrar shall also be promptly so notified.

1.3 Exchange of Registered Certificates

Registered Global Certificates may be presented for exchange for Definitive Registered Certificates at the specified office of the Registrar only upon the occurrence of an Exchange Event, as provided in the Registered Global Certificate. Any such exchange shall be effected without service charge but upon payment of any taxes and other governmental charges, including stamp duties. Definitive Registered Certificates issued in exchange will be delivered at the specified office of the Registrar, or (at the risk and, if mailed at the

request of the holder otherwise than by ordinary uninsured mail, expense of the holder) mailed to such address, subject to the restrictions (if any) specified in the Issue Terms, as the holder may request, as soon as practicable after issue.

Certificateholders wishing to exchange Certificates should apply to the specified office of the Registrar for information relating to the procedure for such exchange.

1.4 Transfer of Registered Certificates

- (a) Registered Certificates may, subject to Condition 1.1(c) (*Form, denomination and title*) and to the provisions of the Trust Instrument and of the Agency Agreement, be transferred by the registered holder free of and without regard to any set-off, counterclaim or equity between the Issuer and the first or any subsequent registered holder of such Certificates, in whole or in part (being the Specified Denomination(s) of the Certificates given in the Issue Terms, or an integral multiple thereof), by delivery of the relevant Registered Certificate to the Registrar at its specified office together with the form of transfer in writing duly completed and signed and upon compliance with such transfer restrictions which may be set out on the legend and such other reasonable requirements as the Issuer and the Registrar may prescribe, without service charge but upon payment of any taxes, duties and other governmental charges in respect of such transfer.

No transfer of a Registered Certificate shall be recognised by the Issuer unless entered on the Register. In no event may the Registrar register the transfer of a Registered Global Certificate in violation of the restrictive legend (if any) set out on the face of such Certificate. A Registered Certificate may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number) and the Registrar will not accept transfers of Registered Certificates to "bearer".

The Registrar will within 14 days of any duly made request to register the transfer of a Registered Certificate enter the transferee in the Register and authenticate and deliver a Registered Certificate to the transferee (and, in the case of transfer of part only of a Registered Certificate, a Registered Certificate for the untransferred balance to the transferor), at the specified office of the Registrar, or (at the risk and, if mailed at the request of the transferee or, as appropriate, transferor otherwise than by ordinary uninsured mail, expense of the transferee or, as appropriate, transferor) mail the Registered Certificate to such address, subject to the restrictions (if any) specified in the Issue Terms, as the transferee (or, as appropriate, the transferor) may request or, alternatively, in the case of transfers effected through the Stock Exchange (if any) on which the Issuer has agreed to maintain a listing of the Certificates or any other recognised stock exchange or similar market approved by the Issuer, will deliver the Registered Certificate in accordance with the normal procedures and systems of such exchange or market.

- (b) In the event of a partial redemption of Certificates under Condition 7 (*Capital Distributions of the Trust*), neither the Issuer nor the Registrar will be required:
- (i) to register the transfer of interests in Registered Global Certificates (or parts of Registered Global Certificates) for definitive Registered Certificates during the period beginning on the 65th day before the date of the partial redemption and ending on the day on which notice is given specifying the serial numbers of Certificates called (in whole or in part) for redemption (both inclusive); or

- (ii) to register the transfer of any Registered Certificate (or part of a Registered Certificate) called for partial redemption.

Condition 8 as set out in the Bearer Certificates Base Conditions Module will not apply and the following Condition 8 shall be substituted therefor.

8. PURCHASE

- (a) The Issue Terms will specify whether the Issuer may, through the Counterparty, purchase Registered Certificates (or any of them) at any time in the open market or otherwise at any price.
- (b) On any such purchase:
 - (iii) the *Shari'a* Contract (or a proportionate part thereof which corresponds to the Registered Certificates purchased) will be terminated in accordance with its terms (which shall include the delivery of the Underlying Assets (or, subject to Condition 8(c) below, a proportionate part thereof which correspond to the Registered Certificates purchased) by the Issuer to the Counterparty in consideration for such purchase on its behalf);
 - (iv) the Registered Certificates purchased shall be cancelled pursuant to Condition 7(g) (*Cancellation*);
 - (v) the Trust (or a proportionate part thereof which corresponds to the Registered Certificates cancelled) will terminate and the cancelled Registered Certificates shall cease to represent Trust Assets; and
 - (vi) no further amounts shall be payable in respect of the cancelled Registered Certificates and the Issuer and the Trustee shall have no further obligations in respect thereof and, for the avoidance of doubt, no periodic distribution shall be payable with respect to a Registered Certificate purchased in respect of the period from the Issue Date or the previous Periodic Distribution Date, as the case may be, to the date of such purchase.
- (c) For the purposes of Condition 8(b)(i) above, where it is not possible to deliver a proportionate part of the Underlying Assets to correspond to the Registered Certificates purchased, the Underlying Assets to be delivered will be reduced to the nearest whole unit.
- (d) In the case of purchase of part only of a Definitive Registered Certificate, the Registrar shall deliver, *mutatis mutandis* in accordance with Condition 1.4 (*Transfer of Registered Certificates*), a certificate for the unpurchased balance to the relevant Registered Certificate holder.

Condition 9(a) to Condition 9(f) (inclusive) as set out in the Bearer Certificates Base Conditions Module will not apply and the following Condition 9(a) to (c) (inclusive) shall be substituted therefor.

9. PAYMENTS

- (a) All payments in respect of Registered Certificates will be made in each case subject to such (if any) other provisions (including any requirements as to certification of ownership) as are

set out herein or in the Issue Terms and to any fiscal or other laws and regulations applicable in the place of payment.

Payments of dissolution amounts, periodic distributions or other amounts in respect of Definitive Registered Certificates or Registered Global Certificates will be made to the persons shown on the Register at the close of business on the Record Date following surrender (in the case of payments of dissolution amounts and, if applicable, periodic distributions) to the Principal Paying Agent of the relevant Definitive Registered Certificate or Registered Global Certificate.

Subject as provided below, payments in respect of Definitive Registered Certificates or Registered Global Certificates will be made by a cheque in the Currency of Issue drawn on a bank in the city specified in the Issue Terms as the place of payment and mailed (at the risk and, if mailed at the request of the Certificate holder otherwise than by ordinary uninsured mail, expense of the Certificate holder) on the relevant due date to the holder or to the first named of joint holders of such Registered Certificate at his registered address or in accordance with mandate instructions acceptable to the Principal Paying Agent. Notwithstanding the foregoing, all amounts payable to the Clearing Systems or their respective nominees as registered holder of a Registered Global Certificate, shall be paid by transfer by the Principal Paying Agent to such account in the Currency of Issue as the Clearing Systems or their respective nominees may specify for payment in the Currency of Issue.

If and for so long as Registered Certificates are represented by a Registered Global Certificate, each of the persons shown in the records of the Clearing Systems as the holder of a Registered Certificate must look solely to such Clearing Systems for his share of each payment so made by the Issuer to the registered holder of the Registered Global Certificate, subject to and in accordance with the respective rules and procedures of the Clearing Systems. Such persons shall have no claim directly against the Issuer in respect of payments due in respect of the Registered Certificates for so long as such Registered Global Certificate is outstanding and the Issuer will be discharged by payment to the registered holder of such Registered Global Certificate in respect of each amount so paid.

- (b) If the due date for payment of any dissolution amount or, if applicable, periodic distributions in respect of any Certificate is not a Payment Day, the holder of such Certificate shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to any further periodic distributions or other payment in respect of any such delay. If a Certificate is presented for payment at a time when, as a result of differences in time zones, it is not practicable to transfer the relevant amount to an account for value on the date of presentation, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to such account for value on the first practicable date after the date of presentation.
- (c) Subject as provided in the terms relating to payment:
 - (i) payments in a Currency of Issue other than euro will be made by credit or transfer to an account in the relevant Currency of Issue (which, in the case of a payment in Japanese yen to a non resident of Japan, shall be a non resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Currency of Issue drawn on, a bank in the principal financial centre of the country of such

Currency of Issue (which, if the Currency of Issue is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and

- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable to such payments in the place of payment.

Condition 13 as set out in the Bearer Certificates Base Conditions Module will not apply and the following Condition 13 shall be substituted therefor.

13. PRESCRIPTION

The Issuer shall be discharged from its obligation to pay dissolution amounts (and periodic distributions, if applicable) in respect of a Registered Certificate to the extent that the relevant Definitive Registered Certificate or Registered Global Certificate has not been presented to the Principal Paying Agent by, or a cheque which has been duly despatched in the Currency of Issue remains uncashed at, the end of the period of 10 years from the Relevant Date in respect of such payment. The Issuer shall be discharged from its obligation to pay periodic distributions in respect of a Registered Certificate to the extent that a cheque which has been duly despatched in the Currency of Issue remains uncashed at, or (in the case of Registered Certificates represented by a Registered Global Certificate) the Registered Global Certificate has not been presented to the Principal Paying Agent by, the end of the period of five years from the Relevant Date in respect of such payment.

For this purpose, the "**Relevant Date**" means the date on which the payment in respect of the Certificate first becomes due and payable. However, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or the Delegate on or prior to such date, the "**Relevant Date**" means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Certificateholders in accordance with Condition 15 (*Notices*).

Condition 15 as set out in the Bearer Certificates Base Conditions Module will not apply and the following Condition 15 shall be substituted therefor.

15. NOTICES

All notices regarding Registered Certificates will be valid if (i) published (A) in one leading London daily newspaper or, if this is not possible, in one other English language daily newspaper approved by the Delegate with general circulation in Europe and (B) if and for so long as the Certificates are traded on the Irish Stock Exchange and the Irish Stock Exchange so requires, via the Companies Announcements Office of the Irish Stock Exchange or in one daily newspaper published in the Ireland approved by the Delegate or (ii) at the option of the Issuer, mailed to the holders at their respective addresses as shown in the Register and, if mailed, shall be deemed to have been served when, in the ordinary course of post, they would be received. It is expected that any publication as described in the foregoing will be made in (i) the *Financial Times* and (if applicable) (ii) the *Irish Times*

All notices regarding Certificates represented by a Registered Global Certificate will be valid if published as described above or if delivered to Euroclear and/or Clearstream, Luxembourg, as the case may be, for communication by such Clearing System to the Certificateholders. Any notice delivered to a Clearing System as aforesaid shall be deemed to have been given on the day of such delivery.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other Stock Exchange on which the Certificates are for the time being listed.

Any notice published in a newspaper as aforesaid shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication or, if published in two newspapers, on the date of the first such publication in both newspapers. If publication is not practicable in any such newspaper as is mentioned above, notice will be valid if given in such other manner, and shall be deemed to have been given on such date, as the Delegate shall determine.

FORM OF ISSUE TERMS

Set out below is the form of Issue Terms which will be completed for each Series of Certificates issued under the Programme. The terms of each Series of Certificates will be subject to Shari'a Board approval.

[Date]

AMANAH CERTIFICATES ISSUANCE PROGRAMME LIMITED

Issue of [Aggregate Face Amount of Series] [Title of Certificates]

under the

U.S.\$50,000,000,000

Trust Certificate Issuance Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 20th May, 2011. This document constitutes the Issue Terms of the Certificates described herein and must be read in conjunction with the Information Memorandum [and the Supplemental Information Memorandum dated [], 2011]. Full information on the Issuer and the offer of the Certificates is only available on the basis of a combination of these Issue Terms[,] [and] the Information Memorandum [and the Supplemental Information Memorandum]. The Information Memorandum [and the Supplemental Information Memorandum] [is/are] available for viewing during normal business hours at the registered office of the Issuer at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from that office.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Issue Terms.]

[The proceeds of any issue of Certificates should not be accepted in the United Kingdom]

PARTIES

- | | | |
|-----|-------------------------|---|
| 1. | Issuer and Trustee: | Amanah Certificates Issuance Programme Limited |
| 2. | Delegate: | HSBC Corporate Trustee Company (UK) Limited |
| 3. | Arranger: | HSBC Bank plc |
| 4. | Principal Paying Agent: | HSBC Bank plc |
| 5. | Paying Agent(s): | [] |
| 6. | Registrar: | [HSBC Private Bank (C.I.) Limited, Jersey Branch]][specify other] |
| 7. | Transfer Agent(s): | [] |
| 8. | Calculation Agent: | [][Not Applicable] |
| 9. | Selling Agent: | [] |
| 10. | Agent Bank: | [] |

11. Replacement Agent(s): []

GENERAL

12. Type of Certificates: The Certificates are [Fixed Periodic Distribution Certificates][Floating Periodic Distribution Certificates][Indexed Periodic Distribution Certificates][specify other]

13. Series Number: []

14. Tranche Number: []

15. Currency of Issue: []

16. Aggregate Face Amount of Series: []

17. Issue Price: [] per cent. of the Aggregate Face Amount

18. Specified Denominations: []

(this means the minimum integral face amount in which transfers can be made)

(N.B. If an issue of Certificates is (i) NOT admitted to trading on a regulated market within the European Economic Area; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the €100,000 minimum denomination is not required.)

19. (a) Issue Date: []

(b) Periodic Distribution Commencement Date: [Issue Date][specify other][Not Applicable]

20. Closing Date: []

21. Pre-Closing Date: [][Not Applicable]

22. Maturity Date: [Specify date][Periodic Distribution Date falling in or nearest to [].]

23. Periodic Distribution Amount Basis: [Fixed Periodic Distribution]
[Floating Periodic Distribution]
[Indexed Periodic Distribution]
[Not Applicable]
[specify other]
(further particulars specified below)

24. Change of Periodic Distribution Basis: [Specify details of any provision for convertibility of Certificates into other Periodic Distribution basis]
[Not Applicable]

25. Dissolution Basis: [Dissolution at par]
[Index Linked Dissolution]

[specify other]
(further particulars specified below)

26. Dissolution at the option of the Issuer: [Applicable][Not Applicable]

27. Dissolution at the option of the Certificateholders: [Applicable][Not Applicable]

28. Form of Certificates: [Bearer Certificates:

[Temporary Bearer Global Certificate exchangeable for a Permanent Bearer Global Certificate which is exchangeable for definitive Bearer Certificates only upon an Exchange Event]

[Permanent Bearer Global Certificate exchangeable for definitive Bearer Certificates only upon an Exchange Event]]

[Registered Certificates:

[Registered Global Certificate registered in the name of a nominee of Euroclear and Clearstream, Luxembourg, exchangeable for Definitive Registered Certificates only upon the occurrence of an Exchange Event]]

[specify other]

29. Talons for future Distribution Vouchers to be attached to definitive Bearer Certificates (and dates on which such Talons mature): [Yes][No]
[If yes, give details]

30. Additional Financial Centre(s): []

(Note that this paragraph relates to the place of payment and not Return Accumulation Period end dates)

31. Issuer Purchase pursuant to Condition 8: [Applicable][Not Applicable]

PROVISIONS RELATING TO PERIODIC DISTRIBUTIONS

32. Periodic Distributions: [Applicable][Not Applicable]

33. Fixed Periodic Distribution Provisions: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(a) Reference Rate[(s)]: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]

(b) Periodic Distribution Date(s): [[] in each year up to and including the Maturity Date] *[specify other]*

(NB: This will need to be amended in the case of long or short return accumulation periods)

(c) Fixed Amount(s): ☐ per Certificate of ☐ Specified Denomination

(d) Fixed Day Count Fraction: [Actual/Actual (ISMA)][30/360][specify other]

(e) Determination Date(s): ☐ in each year
(Insert regular periodic distribution dates, ignoring issue date or maturity date in the case of a long or short first or last return accumulation period)
N.B. This will need to be amended in the case of regular periodic distribution dates which are not of equal duration
N.B. Only relevant where Day Count Fraction is Actual/Actual (ISMA))

(f) Other terms relating to the method of calculating Fixed Periodic Distributions: [Not Applicable][give details]

34. Floating Periodic Distribution Provisions or Indexed Periodic Distribution Provisions: [Floating Periodic Distribution Provisions Applicable]
 [Indexed Periodic Distribution Provisions Applicable]
 [Not Applicable]
(If not applicable, delete the remaining sub paragraphs of this paragraph)

(a) Specified Periodic Distribution Dates: ☐ [Not Applicable]

(NB If the Reference Rate is determined at the end of the Return Accumulation Period, allow a sufficient time lag for each Specified Periodic Distribution Date to follow the related Return Accumulation Period end date to allow for publication of the Reference Rate in accordance with Condition 6(c)(v), i.e. each Specified Periodic Distribution Date must be at least four Business days after the relevant preceding Return Accumulation Period end date.)

(Specified Period and Specified Periodic Distribution Dates are alternatives. If the Business Day Convention is the FRN Convention, insert "Not Applicable")

(b) Specified Period: ☐ [Not Applicable]

(Specified Period and Specified Periodic Distribution Dates are alternatives. A Specified Period, rather than Specified Periodic Distribution

Dates, will only be relevant if the Business Day Convention is the FRN Convention. Otherwise, insert "Not Applicable")

- (c) Business Day Convention: [FRN Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
[specify other]
- (d) Additional Business Centre(s): [Not Applicable/give details]
- (e) Manner in which the Reference Rate and Periodic Distribution Amount are to be determined: [ISDA Determination][Screen Rate Determination][specify other]
- (f) ISDA Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate Option: []
- Designated Maturity: []
- Reset Date: []
- Margin: [+/-] [] per cent. per annum
- Minimum Reference Rate: [] per cent. per annum
- Maximum Reference Rate: [] per cent. per annum
- (g) Screen Rate Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Screen Rate: []
- Periodic Distribution Determination Date: []
- (Second London business day prior to the start of each Return Accumulation Period if LIBOR (other than Sterling or euro LIBOR), first day of each Return Accumulation Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Return Accumulation Period if EURIBOR or euro LIBOR)*
- Relevant Screen Page: []
- Margin: [+/-] [] per cent. per annum
- Minimum Reference Rate: [] per cent. per annum
- Maximum Reference Rate: [] per cent. per annum

Reference Banks, if different to ☐ ☐
those set out in the General
Definitions Module May 2011
Edition:

- (h) Floating Day Count Fraction: ☐ ☐
[Actual/Actual [(ISDA)]]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360 (ISDA)]
[specify other]

- (i) Fallback provisions, rounding ☐ ☐
provisions and any other terms
relating to the method of calculating
Floating Periodic Distributions, if
different from those set out in the
Conditions:

35. Rounding: ☐ ☐

*(specify any specific provisions relating to rounding
for the purpose of Condition 6(d))*

PROVISIONS RELATING TO DISSOLUTION

36. Final Dissolution Amount: ☐ ☐ per Certificate of ☐ ☐ Specified
Denomination]

[An amount per Certificate of ☐ ☐ Specified
Denomination calculated on ☐ ☐ in accordance with
the following formula: ☐ ☐

[specify other]

37. (a) Optional Put Dissolution Amount: [The Certificate's proportionate share of the
Cancellation Amount] [Final Dissolution Amount]
☐ ☐ per Certificate of ☐ ☐ Specified
Denomination] [specify other] [together with any
accrued but unpaid Periodic Distribution Amount to
(but excluding) the date of dissolution] [Not
Applicable]

*[NB this must conform to amounts payable under the
Shari'a Contract in the relevant circumstances]*

- (b) Optional Put Dissolution Date: [Any Periodic Distribution Date] [specify other] [Not
Applicable]

- (c) Certificateholder's Option Period: ☐ ☐ [Not Applicable]

- (d) Minimum percentage of ☐ ☐ per cent.

Certificateholders:

38. (a) Optional Call Dissolution Amount: [The Certificate's proportionate share of the Cancellation Amount] [Final Dissolution Amount] [[] per Certificate of [] Specified Denomination] [*specify other*] [together with any accrued but unpaid Periodic Distribution Amount to (but excluding) the date of dissolution] [Not Applicable]
- [NB this must conform to amounts payable under the Shari'a Contract in the relevant circumstances]
- (b) Optional Call Dissolution Date: [Any Periodic Distribution Date] [*specify other*] [Not Applicable]
- (c) Issuer's Option Period: [] [Not Applicable]
39. Early Dissolution Amount: [As specified in the General Definitions Module, May 2011 Edition] [Final Dissolution Amount] [[] per Certificate of [] Specified Denomination[, together with any accrued but unpaid Periodic Distribution Amount]] [*specify other*]
- [NB this must conform to amounts payable under the Shari'a Contract in the relevant circumstances]
40. Cancellation Amount: [[An amount determined by the Calculation Agent on the [the date falling [] Business Days prior to the relevant Dissolution Date] by reference to the then-current [*Exercise Price*]]
- [An amount representing the fair market value of the Certificates, as determined by the Calculation Agent, on [the date falling [] Business Days prior to the relevant Dissolution Date]]
- [*(specify amount (either constant or as a function of time))*]
- provided, however, that the such amount shall not exceed the face amount of the Certificates to be redeemed[, together with the aggregate of any accrued but unpaid Periodic Distribution Amount in respect of all Certificates to be redeemed to (but excluding) the date of dissolution].]
- [Not Applicable]

PROVISIONS RELATING TO THE UNDERLYING ASSETS

41. Initial Underlying Assets: [*where the Initial Underlying Assets comprise equities which are listed on any internationally*

recognised exchange, specify name, ISIN, Bloomberg ticker and amount. If this is not the case, additional disclosure and a supplemental information memorandum may be required]

42. Vendor: [HSBC Bank plc][if other, specify name, address, country of incorporation, the nature of its business and the name of the regulated market on which its securities are listed]

[NB the Vendor should be a listed entity – if this is not the case, additional disclosure and a supplemental information memorandum will be required]

43. Substitution of Underlying Assets pursuant to Condition 4(a): [Applicable][Not Applicable]

44. Additional conditions to substitution: [] [Not Applicable]

PROVISIONS RELATING TO THE *SHARI'A* CONTRACT AND CUSTODY ASSETS

45. *Shari'a* Contract Terms Module: [Wa'd To Purchase Terms Module, May 2011 Edition and Wa'd To Sell Terms Module, May 2011 Edition][specify other]

46. *Wa'd* Definitions Module: [May 2011 Edition] [specify other]

47. Counterparty: [HSBC Bank plc][if other, specify name, address, country of incorporation, the nature of its business and the name of the regulated market on which its securities are listed]

[NB the Counterparty should be a listed entity – if this is not the case, additional disclosure and a supplemental information memorandum will be required]

48. *Wa'd* Agent Terms Module: [May 2011] Edition] [specify other]

49. *Wa'd* Agent: []

50. Custodian: HSBC Bank plc

51. Custodian Account: []

PROVISIONS RELATING TO THE OTHER TRANSACTION DOCUMENTS

52. Trust Terms Module: [May 2011 Edition] [specify other]

53. Conditions Module: [Bearer Certificates Base Conditions Module May 2011 Edition][and Registered Certificates Conditions Module May 2011 Edition][specify other]

54. Agency Terms Module: [May 2011 Edition] [*specify other*]

55. General Definitions Module: [May 2011 Edition] [*specify other*]

OTHER ISSUE TERMS

56. Other issue terms: [Not Applicable][*give details*]

DISTRIBUTION

57. Method of distribution: [Syndicated][Non-syndicated]

58. Names of Dealer(s): HSBC Bank plc
[*give names*]

59. Placing Terms Module: [May 2011 Edition] [*specify other*]

60. U.S. selling restrictions: [Reg. S Compliance Category; TEFRA D/TEFRA C/TEFRA not applicable]

61. Additional selling restrictions: [Not Applicable][*give details*]

[RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Issue Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Issue Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[] has been extracted from []. The Issuer confirms 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.]]

Signed on behalf of the Issuer

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and admission to trading: [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Certificates to be admitted to trading on [the Irish Stock Exchange's Global Exchange Market and admitted to listing on its Official List][specify relevant regulated market (for example, the London Stock Exchange's regulated market) and, if relevant, admission to an official list (for example, the Official List of the UK Listing Authority)] with effect from []]

(NB As at its date of issue the Information Memorandum has not been approved as a base prospectus for listing purposes)

(NB All Certificates should be listed on GEM or another official list/stock exchange for the purposes of Article 77A of Regulated Activities Order 2001 to ensure that the Programme is not regarded as a collective investment scheme for FSMA purposes)

2. RATINGS

Ratings: [None][[As a condition of issuance, the Certificates will be assigned][The Certificates are expected to be assigned], on the Issue Date, the following rating[s]:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Certificates of the type being issued under the Programme generally or, where the issue has been specially rated, that rating)

3. OPERATIONAL INFORMATION

(i) ISIN Code: []

(ii) Common Code: []

(iii) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant [Not Applicable][give name(s) and number(s)]

identification number(s):

(iv) Delivery: Delivery [against][free of] payment

4. **INFORMATION CONCERNING THE REFERENCE RATE** (*Indexed Periodic Distribution Certificates only*)

[Need to include details of where past and future performance and volatility of the underlying can be obtained]

[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information can be obtained]

[Where the underlying is a security need to include the name of the issuer of the security and the ISIN or other such security identification code]

[Where the underlying is any rate need to include a description of such rate]

[Where the underlying does not fall within the categories above need to include equivalent information]

[Where the underlying is a basket of underlyings need to include disclosure of the relevant weightings of each underlying in the basket]

[Need to include a description of market disruption or settlement disruption events and adjustment provisions]

GENERAL DEFINITIONS MODULE

MAY 2011 EDITION

**to be incorporated by reference into
the Conditions and the Trust Instrument
for an issue of Trust Certificates
arranged by
HSBC BANK PLC**

1. GENERAL DEFINITIONS

The following capitalised terms used in the Trust Instrument in respect of a Series of Certificates into which this General Definitions Module is incorporated shall have the meanings set out below, except where the context otherwise requires or as may be modified and/or supplemented by the Issue Terms and/or Trust Instrument in respect of such Certificates:

"2000 ISDA Definitions" means, in relation to a Series of Certificates, the 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of such Certificates.

"2006 ISDA Definitions" means, in relation to a Series of Certificates, the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of such Certificates.

References to the 2000 ISDA Definitions and/or the 2006 ISDA Definitions in any Series of Certificates or any Transaction Document relating to such Series shall be used for interpretative purposes only in determining the Reference Rate in respect of such Series and the use of such definitions will be subject to the approval of the Shari'a Board. The Issuer shall not enter into any derivative transactions.

"Additional Agreement" means, in relation to a Series of Certificates, any agreements entered into by the Issuer other than the Trust Instrument, the Agency Agreement, the *Shari'a* Contract, the *Wa'd* Agent Agreement, the Sale Agreement and the Placing Agreement.

"Agency Agreement" means, in relation to a Series of Certificates, the agency agreement entered into by, among others, the Issuer, the Trustee, the Delegate and the Agents in respect of such Series by execution of the relevant Trust Instrument and into which the terms of the Agency Terms Module are incorporated by reference, as the same may be modified and supplemented by the Trust Instrument.

"Agency Terms Module" means the module (May 2011 Edition) containing the standard agency and custodian provisions for an issue of Certificates.

"Agent Bank" means, in relation to a Series of Certificates, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Agents" means, in relation to a Series of Certificates, each of the agents of the Issuer appointed under the Agency Agreement and as specified in the Issue Terms.

"Appointee" means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Delegate or by another Appointee under the Trust Instrument.

"Auditors" means the auditors (if any) for the time being of the Issuer or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of the Trust Instrument, such other firm of accountants as may be nominated or approved by the Delegate.

"Bearer Certificates" means those Certificates which are for the time being in bearer form.

"Bearer Certificates Base Conditions Module" means the module (May 2011 Edition) containing the base conditions for an issue of Bearer Certificates.

"Bearer Global Certificate" means a Temporary Bearer Global Certificate and/or a Permanent Bearer Global Certificate, as the context may require.

"Business Day" means a day which is both:

- (a) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the Issue Terms; and
- (b) either (i) in relation to periodic distributions payable in a Currency of Issue other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Currency of Issue (if other than London and any Additional Business Centre and which, if the Currency of Issue is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Target System is open.

"Business Day Convention" means one of the following, as specified in the Issue Terms:

- (a) **"FRN Convention"** means that, in any case where Specified Periods are specified in the Issue Terms, the Periodic Distribution Date (i) if there is no numerically corresponding day in the calendar month in which a Periodic Distribution Date should occur, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Periodic Distribution Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Periodic Distribution Date occurred; or
- (b) **"Following Business Day Convention"** means that, if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, such Periodic Distribution Date shall be postponed to the next day which is a Business Day; or
- (c) **"Modified Following Business Day Convention"** means that, if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, such Periodic Distribution Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day; or

- (d) **"Preceding Business Day Convention"** means that, if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day.

"C Rules" means U.S. Treas. Reg. section 1.163-5(c)(2)(i)(C).

"Calculation Agent" means, in relation to a Series of Certificates, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Cancellation Amount" has, in relation to the redemption in whole or in part of a Series of Certificates, the meaning given to it in the Issue Terms relating to such Series of Certificates.

"Certificates" means the Certificates constituted by the Trust Instrument and for the time being outstanding or, as the context may require, a specific number thereof, such Certificates being denominated in the Currency of Issue and:

- (i) having such maturity as may be specified in the Issue Terms and, in any case, such minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Currency of Issue; and
- (ii) having such minimum denomination as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Currency of Issue;

and reference to **"Certificates"** shall be deemed to include Distribution Vouchers in the case of Bearer Certificates in definitive form and Further Fungible Certificates unless the context otherwise requires.

"Certificateholders" means the several persons who are for the time being holders of the Certificates (being, in the case of Bearer Certificates, the bearers thereof and, in the case of Registered Certificates, the several persons whose names are entered in the register of holders of the Registered Certificates as the holders thereof) save that, in respect of the Certificates of any Series, for so long as such Certificates or any part thereof are represented by a Global Certificate deposited with, or registered in the name of, a depositary for Euroclear and/or Clearstream, Luxembourg each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular face amount of the Certificates of such Issue shall be deemed to be the holder of such face amount of such Certificates (and the holder of the relevant Global Certificate shall be deemed not to be the holder) for all purposes of the Trust Instrument other than with respect to the payment of dissolution amounts or periodic distributions (if any) on such Certificates, the right to which shall be vested, as against the Issuer and the Delegate, solely in such depositary and for which purpose such depositary shall be deemed to be the holder of such face amount of such Certificates in accordance with and subject to its terms and the provisions of the Trust Instrument and the expressions **"Certificateholder"**, **"holder of Certificates"** and related expressions shall be construed accordingly.

"Clearing Systems" means, in relation to a Series of Certificates, either of Euroclear and Clearstream, Luxembourg, as the case may be, and includes any additional or alternative clearing systems specified in the Issue Terms.

"Clearstream, Luxembourg" means Clearstream Banking, *société anonyme*.

"Common Depositary" means a common depositary on behalf of Euroclear and Clearstream, Luxembourg.

"Conditions" means, in relation to a Series of Certificates, the provisions of the Conditions Modules incorporated by reference into the relevant Issue Terms as the same may be modified and/or supplemented by such Issue Terms.

"Conditions Modules" means the modules containing terms and conditions which will apply to a Series of Certificates to the extent incorporated into the Issue Terms (including, without limitation, the Bearer Certificates Base Conditions Module, the Registered Certificates Conditions Module and/or such other modules as may be proposed by HSBC Bank plc as the arranger from time to time).

"Counterparty" means, in relation to a Series of Certificates, the entity or entities designated as the counterparty or counterparties in the Issue Terms.

"Currency of Issue" means, in relation to a Series of Certificates, the currency in which the Issue Terms of such Certificates specify that the dissolution amounts and/or periodic distributions, if any, and all other amounts are payable by the Issuer.

"Custodian" means, in relation to a Series of Certificates, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms and, if applicable, any subcustodian of, or any other entity appointed by, the Custodian.

"Custodian Account" means, in relation to a Series of Certificates, the account designated as the Custodian Account in the Issue Terms.

"D Rules" means U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D).

"Dealer" means, in relation to a Series of Certificates, the entity or entities designated as dealer in the Issue Terms.

"Definitions Modules" means the General Definitions Module and, as the case may be, the *Wa'd* Definitions Module and/or such other modules as may be proposed by HSBC Bank plc as the arranger from time to time.

"Definitive Registered Certificate" means a definitive certificate representing a Registered Certificate substantially in the form of Part 4 of the First Schedule to the Trust Terms Module to be issued only in the limited circumstances set out in the Conditions.

"Delegate" means, in relation to a Series of Certificates, the entity designated as the delegate in the Issue Terms.

"Determination Date" means, in relation to a Series of Certificates, the dates as set out in the Issue Terms, if applicable.

"Determination Period" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Periodic Distribution Commencement Date or the final Periodic Distribution Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"Dissolution Amount" means the Final Dissolution Amount, the Early Dissolution Amount, the Optional Call Dissolution Amount or the Optional Put Dissolution Amount, as the case may be.

"Dissolution Date" means, in relation to a Series of Certificates, the date on which the Certificates of such Series are dissolved in accordance with Condition 7 (*Capital Distributions of the Trust*) or Condition 10 (*Dissolution Events*).

"Dissolution Event" means, in relation to the Certificates of any Series, any of the conditions, events or acts provided in Condition 10 (*Dissolution Events*) to be events upon the occurrence of which the Certificates of such Series would, subject only to notice by the Delegate as therein provided, become redeemable on the Dissolution Date.

"Distribution Compliance Period" means the period commencing on the later of the first date the Certificates are offered to the public or the settlement date for the Certificates, and ending on the day that is 40 calendar days thereafter.

"Distribution Voucherholders" means the several persons who are for the time being holders of the Distribution Vouchers.

"Distribution Vouchers" means the bearer distribution vouchers appertaining to the Bearer Certificates in definitive form (other than in the case of Certificates with no periodic distributions) or, as the context may require, a specific number thereof and includes any replacements for Distribution Vouchers issued pursuant to Condition 14 (*Replacement of Certificates*) and, where the context so permits, the Talons.

"Early Dissolution Amount" means, unless otherwise specified in the relevant Issue Terms, the Certificate's proportionate share of the Cancellation Amount.

"Eligible Shari'a Assets", in relation to a Series of Certificates, has the meaning given to it in the *Shari'a Contract* relating to such Series of Certificates.

References to "**euro**" and "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

"Euroclear" means Euroclear Bank S.A./N.V.

"EURIBOR" means Euro-zone inter-bank offered rate.

"Exchange Date" means, where applicable, the date which is 40 days after the date on which the Temporary Bearer Global Certificate is issued.

"Exchange Event" means that (i) a Dissolution Event has occurred and is continuing, (ii) Euroclear and Clearstream, Luxembourg have been closed for business or the Issuer has been notified of such closure of Euroclear and Clearstream, Luxembourg, and no successor

clearing system satisfactory to the Delegate is available or (iii) the Issuer or, as the case may be, the Counterparty has or will become subject to adverse tax consequences which would not be suffered were the Certificates in definitive form.

"Extraordinary Resolution" has the meaning set out in paragraph 20 of the Third Schedule to the Trust Terms Module.

"Fees and Expenses Agreement" means, in relation to a Series of Certificates, the fees and expenses agreement dated 18th May, 2011 between the Issuer and HSBC Bank plc as arranger, insofar as it relates to such Certificates.

"Final Dissolution Amount" means, in relation to a Series of Certificates, the Final Dissolution Amount set out in the Issue Terms.

"Fitch" means Fitch Ratings Ltd. or any successor to the rating business thereof.

"Fixed Day Count Fraction" means, in respect of the calculation of an amount of periodic distribution for any Fixed Return Accumulation Period:

- (a) if **"Actual/Actual (ISMA)"** is specified in the Issue Terms:
 - (i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Periodic Distribution Date (or, if none, the Periodic Distribution Commencement Date) to (but excluding) the relevant payment date (the **"Accrual Period"**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in the Issue Terms) that would occur in one calendar year; or
 - (ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year; and
- (b) if **"30/360"** is specified in the Issue Terms, the number of days in the period from (and including) the most recent Periodic Distribution Date (or, if none, the Periodic Distribution Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

"Fixed Periodic Distribution Certificates" means an issue of Certificates in respect of which periodic distributions are payable on the basis of a fixed Reference Rate as stated in the Issue Terms applicable to such Certificates.

"Fixed Return Accumulation Period" means, in relation to Fixed Periodic Distribution Certificates, the period from (and including) a Periodic Distribution Date (or the Periodic Distribution Commencement Date) to (but excluding) the next (or first) Periodic Distribution Date.

"Floating Day Count Fraction" means, in respect of the calculation of an amount of periodic distribution for any Return Accumulation Period:

- (a) if **"Actual/Actual (ISDA)"** or **"Actual/Actual"** is specified in the Issue Terms, the actual number of days in the Return Accumulation Period divided by 365 (or, if any portion of that Return Accumulation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Return Accumulation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Return Accumulation Period falling in a non-leap year divided by 365);
- (b) if **"Actual/365 (Fixed)"** is specified in the Issue Terms, the actual number of days in the Return Accumulation Period divided by 365;
- (c) if **"Actual/365 (Sterling)"** is specified in the Issue Terms, the actual number of days in the Return Accumulation Period divided by 365 or, in the case of an Periodic Distribution Date falling in a leap year, 366;
- (d) if **"Actual/360"** is specified in the Issue Terms, the actual number of days in the Return Accumulation Period divided by 360;

- (e) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the Issue Terms, the number of days in the Return Accumulation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Return Accumulation Period is the 31st day of a month but

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

the first day of the Return Accumulation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b)

the last day of the Return Accumulation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31, in which case D₂ will be 30; and

- (f) if "**30E/360 (ISDA)**" is specified in the Issue Terms, the number of days in the Return Accumulation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Return Accumulation Period unless, in the case of an Return Accumulation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

"D₁" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and D₂ will be 30.

"Floating Rate Option" means, in respect of a Series of Floating Periodic Distribution Certificates, the option (which may, but need not, be provided in the ISDA Definitions) which is specified in the Issue Terms of such Certificates.

"Floating Periodic Distribution Certificates" means an issue of Certificates in respect of which periodic distributions are payable on the basis of a floating Reference Rate as determined in accordance with the Issue Terms applicable to such Certificates.

"FSA" means the Financial Services Authority.

"FSA Rules" means the rules and regulations as amended or varied from time to time, of the FSA, including its Conduct of Business Rules, established under or pursuant to the FSMA by which the Custodian is regulated in the conduct of its investment brokers or any successor bodies.

"FSMA" means the Financial Services and Markets Act 2000.

"Further Fungible Certificates" has the meaning given to it in Condition 19 (*Further Issues*).

"General Definitions Module" means the module (May 2011 Edition) containing general definitions for an issue of Certificates.

"Global Certificate" means a Temporary Bearer Global Certificate and/or a Permanent Bearer Global Certificate and/or a Registered Global Certificate, as the context may require.

References to **"Hong Kong Dollars"** and **"HK\$"** are to the lawful currency of Hong Kong.

"HSBC Group" means HSBC Holdings plc and any company in respect of which HSBC Holdings plc (or one or more of its subsidiary companies, or subsequent holding companies or subsidiary companies of such entity) (i) directly or indirectly owns 50% or more voting rights or (ii) exercises direct or indirect management control albeit that it owns less than 50% of its shares or voting rights.

"Indexed Periodic Distribution Certificates" means an issue of Certificates in respect of which the amount payable in respect of periodic distributions is calculated by reference to an index and/or a formula in accordance with the relevant Issue Terms.

"Initial Redemption Notice" means a notice given by the Issuer to the Delegate, the Certificateholders, the *Wa'd* Agent, the Calculation Agent and the Counterparty that the Certificates are to be redeemed pursuant to Condition 7(b) (*Early dissolution for taxation reasons*) or Condition 7(c) (*Mandatory dissolution*).

"Initial Underlying Assets" has the meaning given to it in Condition 4 (*Underlying Assets*) and in respect of each Series of Certificates, as specified in the Issue Terms.

"Initial Tranche" means, if the Certificates of a Series are, in accordance with the terms of the Trust Instrument relating to such Series, to be issued in tranches, the initial tranche specified in the Trust Instrument in respect of that Series.

"Instructing Party" means, in relation to a Series of Certificates, (a) the holders of at least one fifth of the then aggregate face amount of such Series of Certificates instructing or directing the Delegate by way of written direction or (b) holders of the Certificates of such Series when instructing or directing the Delegate by means of an Extraordinary Resolution, provided however, that if the Certificateholders fail to instruct or direct the Delegate by way of written direction or Extraordinary Resolution to take action and/or fail to indemnify and/or secure and/or prefund the Delegate to its satisfaction in respect of any Liabilities it may sustain as a result thereof (where an instruction or direction not to take any action under the Trust Instrument shall not be a failure to instruct or direct) within three months of the date of notification to the Certificateholders of the occurrence of the relevant event pursuant to Condition 10 (*Dissolution Events*) and/or Condition 11 (*Enforcement*), the Instructing Party shall be the Counterparty.

"ISDA Definitions" means the 2006 ISDA Definitions or such other definitions as may be specified in the Issue Terms as the ISDA Definitions.

"Irish Stock Exchange" means the Irish Stock Exchange Limited.

"Issue Date" means, in relation to a Tranche of Certificates, the date specified in the Issue Terms relating to such Certificates as such, being the date on which such Certificates are constituted.

"Issue Terms" means, in relation to a Series of Certificates, the issue terms set out in the Trust Instrument relating to such Certificates, including the terms of the Conditions Modules and Definitions Modules incorporated by reference, as the same may be modified and/or supplemented.

References to **"Japanese Yen"**, **"Yen"** and **"¥"** are to the lawful currency of Japan.

"Liability" means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.

"LIBOR" means London inter-bank offered rate.

"Margin" means, in relation to a Series of Floating Periodic Distribution Certificates, the margin (if any) set out in the Issue Terms.

"Market Value Basis" means:

- (i) in the case of substitution of Underlying Assets, the assets required to be provided by the Issuer shall be at least equal to the Market Value of the then subsisting Underlying Assets on the date specified by the *Wa'd* Agent in the Substitution Notice given by the *Wa'd* Agent; and
- (ii) in the case of the issue of Further Fungible Certificates, the additional assets required to be acquired by the Issuer in respect of the Further Fungible Certificates to form part of the Trust shall be an amount of such assets with a Market Value at least equal to the product of (a) the Market Value of the Underlying Assets immediately prior to the issue of the Further Fungible Certificates and (b) the quotient of (x) the aggregate face amount of the Further Fungible Certificates to be issued and (y) the outstanding aggregate face amount of the Certificates of the relevant Series immediately prior to the issue of the Further Fungible Certificates.

For these purposes, **"Market Value"** shall mean the market value as calculated by the Calculation Agent in such manner as it shall determine in good faith and in a commercially reasonable manner and, for the avoidance of doubt, where the market value of an asset cannot be determined by the Calculation Agent on any day, may be determined by reference to the market value of such asset on the last preceding day on which the market value of such asset could be determined by the Calculation Agent

"Maturity Date" means, in relation to a Series of Certificates, the final date on which the Certificates are expressed to be redeemable as specified in the Issue Terms (which date may in certain circumstances be extended in accordance with the Issue Terms).

"Maximum Reference Rate" means, in relation to a Series of Certificates, if applicable, such rate as is specified as the Maximum Reference Rate in the Issue Terms.

"Minimum Reference Rate" means, in relation to a Series of Certificates, if applicable, such rate as is specified as the Minimum Reference Rate in the Issue Terms.

"Moody's" means Moody's Investors Services Limited or any successor to the rating business thereof.

"Optional Call Dissolution Amount" in relation to a Series of Certificates shall have the meaning set out in the Issue Terms.

"Optional Call Dissolution Date" in relation to a Series of Certificates shall have the meaning set out in the Issue Terms.

"Optional Put Dissolution Amount" in relation to a Series of Certificates shall have the meaning set out in the Issue Terms.

"Optional Put Dissolution Date" in relation to a Series of Certificates shall have the meaning set out in the Issue Terms.

"outstanding" means, in relation to a Series of Certificates, all the Certificates of that Series issued other than:

- (a) those Certificates to the extent that they shall have been redeemed in part pursuant to the relevant Issue Terms;
- (b) those Certificates which have been redeemed in full pursuant to the relevant Issue Terms;
- (c) those Certificates in respect of which the date for redemption in accordance with the relevant Issue Terms has occurred and the dissolution amounts and all periodic distributions (if any) payable in respect thereof have been duly paid to the Delegate, the Registrar and/or the Principal Paying Agent in the manner provided in the Agency Agreement (and where appropriate notice to that effect has been given to the Certificateholders in accordance with Condition 15 (*Notices*)) and remain available for payment against presentation of the Certificates;
- (d) those Certificates which have been purchased and cancelled in accordance with Condition 8 (*Purchase*);
- (e) those Certificates in respect of which claims have become void under Condition 13 (*Prescription*);
- (f) those mutilated or defaced Certificates which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 14 (*Replacement of Certificates*);

- (g) (for the purpose only of ascertaining the face amount of the Certificates of that Series outstanding and without prejudice to the status for any other purpose of the Certificates) those Certificates which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 14 (*Replacement of Certificates*); and
- (h) any Temporary Global Certificate to the extent that it shall have been exchanged for definitive Bearer Certificates or a Permanent Bearer Global Certificate and any Permanent Bearer Global Certificate to the extent that it shall have been exchanged for definitive Bearer Certificates in each case pursuant to its provisions,

PROVIDED THAT for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the Certificateholders or any of them, an Extraordinary Resolution in writing as envisaged by paragraph 20 of the Third Schedule to the Trust Terms Module and any direction or request by the Certificateholders;
- (ii) the determination of how many and which Certificates are for the time being outstanding for the purposes of Conditions 10 (*Dissolution Events*) and 11 (*Enforcement*) and paragraphs 2, 5, 6 and 9 of the Third Schedule to the Trust Terms Module;
- (iii) any discretion, power or authority (whether contained in the Trust Instrument or vested by operation of law) which the Delegate is required, expressly or impliedly, to exercise in or by reference to the interests of the Certificateholders or any of them; and
- (iv) the determination by the Delegate whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Certificateholders or any of them,

those Certificates (if any) which are for the time being held by, for the benefit of, or on behalf of, the Issuer, the Counterparty or any Subsidiary of the Issuer or the Counterparty shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

"Outstanding Face Amount" means in relation to a Certificate, the face amount of such Certificate outstanding from time to time.

"Paying Agents" means, in relation to a Series of Certificates, the entities (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms and includes, for the avoidance of doubt, the Principal Paying Agent.

"Payment Day" means any day which (subject to Condition 13 (*Prescription*)) is:

- (i) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) the relevant place of presentation;
 - (B) London; and

- (C) any Additional Financial Centre specified in the Issue Terms; and
- (ii) either (1) in relation to any sum payable in a Currency of Issue other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Currency of Issue (if other than the place of presentation, London and any Additional Financial Centre and which if the Currency of Issue is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Target System is open.

"Periodic Distribution Amount" has the meaning set out in Condition 6(c)(iv) (*Determination of Reference Rate and Periodic Distribution Amounts*).

"Periodic Distribution Commencement Date" means, in relation to a Series of Certificates, the date specified as such in the Issue Terms.

"Periodic Distribution Date", in relation to a Series of Fixed Periodic Distribution Certificates, means the date(s) set out in the Issue Terms and, in relation to a Series of Floating Periodic Distribution Certificates or Indexed Periodic Distribution Certificates, has the meaning given to it in Condition 6(c)(i) (*Periodic Distribution Dates*).

"Periodic Distribution Determination Date" means, in relation to a Series of Certificates, the date(s) set out in the Issue Terms where Screen Rate Determination is specified as applicable.

"Permanent Bearer Global Certificate" means a permanent bearer global certificate in the form or substantially in the form set out in Part 2 of the First Schedule to the Trust Terms Module with such modifications (if any) as may be agreed between the Issuer, the Delegate and the Counterparty, comprising some or all of the Bearer Certificates of the same Issue, issued by the Issuer pursuant to the Trust Instrument either on issue of the Certificates or in exchange for the whole or part of the Temporary Bearer Global Certificate issued in respect of such Bearer Certificates (all as indicated in the Issue Terms).

"Placing Agreement" means, in relation to a Series of Certificates, the placing agreement entered into by the Issuer and the Dealer(s) in respect of such Series by execution of the relevant Trust Instrument and into which the terms of the Placing Terms Module are incorporated by reference as the same may be modified and/or supplemented by the Trust Instrument.

"Placing Terms Module" means the module (May 2011 Edition) containing the provisions relating to the purchase and/or placing of Certificates.

"Potential Dissolution Event" means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Dissolution Event.

"Principal Paying Agent" means, in relation to a Series of Certificates, the entity appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Programme" means the U.S.\$50,000,000,000 Trust Certificate Issuance Programme of the Issuer.

"Prospectus Directive" means Directive 2003/71/EC.

"Prospectus Regulation" means Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.

"Put Notices" has the meaning given to it in Condition 7(e) (*Capital Distributions of the Trust – Dissolution at the option of the Certificateholders*).

"Rating Agency" means, in relation to a Series of Certificates that is rated, each rating agency specified in the Issue Terms.

"Rating Agency Affirmation" means, in relation to a Series of Certificates that is rated by Moody's, the notification of the relevant event specified in the Issue Terms to Moody's and written confirmation from Moody's that there has been no adverse change to the credit rating granted by Moody's in respect of such Certificates.

"Rating Agency Confirmation" means, in relation to a Series of Certificates that is rated by S&P, the notification of the relevant event specified in the Issue Terms to S&P and written confirmation from S&P that there has been no adverse change to the credit rating granted by S&P in respect of such Certificates.

"Record Date" means (i) in relation to a payment in respect of Registered Global Certificates, the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) in relation to a payment in respect of Definitive Registered Certificates, the fifteenth day (whether or not such fifteenth day is a Business Day) before the relevant due date.

"redeem" and **"pay"** shall each include both the others and cognate expressions shall be construed accordingly and shall (where the context so permits) be deemed to include references to delivery of the Underlying Assets in accordance with the Issue Terms.

"Reference Banks" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Agent Bank or as specified in the Issue Terms.

"Reference Rate" means, in relation to a Series of Certificates, the Reference Rate set out in the Issue Terms.

"Reference Screen Rate" means, in relation to a Series of Certificates, the Reference Screen Rate set out in the Issue Terms where Screen Rate Determination is specified as applicable.

"Register" means a register on which shall be entered the names and addresses of the subscribers of the Registered Certificates or, as the case may be, of the latest transferees of the same notified to the Registrar in accordance with Condition 1.4 of the Registered Certificates Conditions Module (*Transfer of Registered Certificates*), together with the

particulars of the Registered Certificates held by them respectively and of all transfers of Registered Certificates.

"Registered Certificates" means those of the Certificates which are for the time being in registered form.

"Registered Certificates Conditions Module" means the module (May 2011 Edition) containing the provisions relating to an issue of Registered Certificates and provisions additional to or instead of provisions in the Bearer Certificates Base Conditions Module,

"Registered Global Certificate" means a registered global certificate in the form or substantially in the form set out in Part 3 of the First Schedule to the Trust Terms Module with such modifications (if any) as may be agreed between the Issuer, the Delegate and the Counterparty, comprising some or all of the Registered Certificates of the same Series sold outside the United States to non U.S. persons in reliance on Regulation S under the Securities Act, issued by the Issuer pursuant to the Trust Instrument.

"Registrar" means, in relation to a Series of Certificates (being, or which are exchangeable for, Registered Certificates), the entity appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Relevant Date" has the meaning set out in Condition 13 (*Prescription*).

"Relevant Screen Page" means, in relation to a Series of Certificates, the relevant screen page set out in the Issue Terms where Screen Rate Determination is specified as applicable.

"Return Accumulation Period" means the period from (and including) a Periodic Distribution Date (or the Periodic Distribution Commencement Date) to (but excluding) the next (or first) Periodic Distribution Date.

"Rights" means, in relation to any agreement or asset, all rights, title and interest of the relevant person in, to and under such agreement or asset including, without limitation:

- (i) the Issuer's rights under the Agency Agreement, including all its rights in respect of all funds and/or assets held from time to time by any of the Agents for payment in respect of the Certificates or otherwise in relation to the Certificates or the Underlying Assets; and
- (ii) the Issuer's rights to the Underlying Assets, including all its rights in respect thereof or relating thereto and any sums or assets derived therefrom whether or not against third parties, including, without limitation, the Issuer's rights against the Custodian to redelivery of equivalent Underlying Assets and any proceeds of the sale of the Underlying Assets.

"Sale Agreement" means, in relation to a Series of Certificates, the sale agreement entered into by the Issuer and the Vendor in respect of such Series by execution of the relevant Trust Instrument pursuant to which the Issuer agrees to purchase the relevant Underlying Assets and into which the terms of the Sale Agreement Terms Module are incorporated by reference, as the same may be modified and/or supplemented by the Trust Instrument.

"Sale Agreement Terms Module" means the module (May 2011 Edition) containing the standard provisions of sale of the Underlying Assets to the Issuer.

"**S&P**" means Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, Inc. or any successor to the rating business thereof.

"**Second Redemption Notice**" means a notice given by the Issuer to the Delegate, the Certificateholders, the *Wa'd* Agent, the Calculation Agent and the Counterparty following an Initial Redemption Notice stating the date on which the Certificates will be redeemed (which shall be as soon as reasonably practicable after the date on which the Second Redemption Notice is given) and specifying the Early Dissolution Amount at which they will be redeemed.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Selling Agent**" means, in relation to a Series of Certificates, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms.

"**Series**" means a Tranche of Certificates together with any further Tranche or Tranches of Certificates which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for the respective Issue Dates, Periodic Distribution Commencement Dates and/or Issue Prices and initial Common Code and ISIN.

"**Shari'a Board**" means the central *Shari'a* committee advising the HSBC Group.

"**Shari'a Contract**" means, in relation to a Series of Certificates (a) a *Wa'd* to Purchase and a *Wa'd* to Sell or (b) such other *Shari'a* compliant contract or combination of *Shari'a* compliant contracts, in each case as specified in the relevant Issue Terms.

"**Specified Denomination**" means, in relation to a Series of Certificates, the denomination(s) of the Certificates as specified in the Issue Terms.

"**Specified Period**" means, in relation to a Series of Certificates, the period specified as such in the Issue Terms (if any).

"**Specified Periodic Distribution Date(s)**" means, in relation to a Series of Certificates, the date(s) specified as such in the Issue Terms (if any).

"**Specified Time**" means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Brussels time, in the case of a determination of EURIBOR).

References to "**Sterling**", "**Pounds Sterling**", "**Pounds**" and "**£**" are to the lawful currency of the United Kingdom.

"**Stock Exchange**" means, in relation to a Series of Certificates, each stock exchange or securities market (if any) specified in the Issue Terms.

"**Subsidiary**" means any company which is for the time being a subsidiary (within the meaning of Section 736 of the Companies Act 1985 of Great Britain) or a subsidiary undertaking (within the meaning of Section 258 and Schedule 10A of the Companies Act 1985 of Great Britain).

"**Substitution Notice**" has the meaning given to it in Condition 4(b) (*Substitution at the direction of the Wa'd Agent*).

"sub-unit" means, with respect to any currency other than the euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to the euro, means one cent.

"successor" means any successor to any one or more persons appointed in relation to the Certificates pursuant to the Trust Instrument and/or such other or further persons appointed as such.

"Talons" means the talons (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Distribution Vouchers appertaining to, the Bearer Certificates in definitive form of any Series (other than Certificates with no periodic distributions) and includes any replacements for Talons issued pursuant to Condition 14 (*Replacement of Certificates*).

"Target System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

"Tax Shortfall Date" has the meaning given to it in Condition 7(b)(i) (*Early dissolution for taxation reasons*).

"Temporary Bearer Global Certificate" means a temporary bearer global certificate in the form or substantially in the form set out in Part 1 of the First Schedule to the Trust Terms Module with such modifications (if any) as may be agreed between the Issuer, the Delegate and the Counterparty, comprising some or all of the Certificates of the same Series, issued by the Issuer pursuant to the Trust Instrument.

"Tranche" means, in relation to a Series of Certificates which are, in accordance with the terms of the Trust Instrument, to be issued in tranches, the Initial Tranche and any further tranches issued in accordance with the Trust Instrument relating to that Series.

"Transaction Documents" means, in relation to a Series of Certificates, the Trust Instrument, the Agency Agreement, the Sale Agreement, the Placing Agreement, the *Shari'a* Contract, the *Wa'd* Agent Agreement and the Additional Agreements, in each case entered into or provided in relation to such Certificates and all agreements incidental to the issue of such Certificates.

"Transfer Agents" means, in relation to a Series of Registered Certificates, the entity or entities appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Trust" means, in relation to a Series of Certificates, the trust created over the Trust Assets of such Series pursuant to the Trust Instrument.

"Trust Assets" means, in relation to a Series of Certificates, the Fees and Expenses Agreement, the *Shari'a* Contract and the other Transaction Documents relating to that Series, all proceeds of the foregoing and any Underlying Assets of the relevant Series (excluding, for the avoidance of doubt, other assets comprised in other trusts, if any).

"Trust Corporation" means a corporation entitled by rules made under the Public Trustee Act 1906 of Great Britain or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee.

"Trustee" means the Issuer acting as trustee in respect of the Trust Assets.

"Trust Instrument" means, in respect of a Tranche of Certificates, a trust instrument dated the Issue Date of such Tranche of Certificates and made between, among others, the Issuer and the Delegate.

"Trust Terms Module" means the module (May 2011 Edition) containing the trust provisions for the Certificates.

"Underlying Assets" means, in relation to a Series of Certificates, the *Shari'a* compliant assets specified in the Issue Terms and, where applicable, the instruments and other documents representing, evidencing, acknowledging and/or transferring or otherwise relating to the same. The term "Underlying Assets" shall include the Initial Underlying Assets and any substitute or replacement Underlying Assets.

"U.S. person" has the meaning set out in Regulation S under the Securities Act.

References to **"U.S. dollars"**, **"U.S.\$"** and **"U.S. cents"** are to the lawful currency of the United States of America.

"Vendor" means, in relation to a Series of Certificates, the entity designated as the vendor of the Underlying Assets in the Issue Terms.

"Wa'd" means the *Wa'd* to Purchase and/or the *Wa'd* to Sell, as the case may be.

"Wa'd Agent" means, in relation to a Series of Certificates, the entity (if any) specified as such in the Issue Terms.

"Wa'd Agent Agreement" means, in relation to a Series of Certificates, the *Wa'd* agent agreement entered into by the Issuer, the Trustee, the Delegate and the *Wa'd* Agent in respect of such Series by execution of the relevant Trust Instrument and into which the terms of the *Wa'd* Agent Terms Module are incorporated by reference, as the same may be modified and supplemented by the Trust Instrument.

"Wa'd Agent Terms Module" means the module (May 2011 Edition) containing the standard *Wa'd* agent provisions for an issue of Certificates.

"Wa'd Definitions Module" means the module (May 2011 Edition) containing general definitions for *Wa'ds*.

"Wa'd to Purchase" means, in relation to a Series of Certificates, the *wa'd* to purchase provided by the Counterparty to the Issuer in respect of such Series by execution of the relevant Trust Instrument and into which the terms of the *Wa'd* to Purchase Terms Module are incorporated by reference, as the same may be modified and supplemented by the Trust Instrument.

"Wa'd to Purchase Terms Module" means the module (May 2011 Edition) containing the standard provisions relating to certain purchase arrangements in respect of the Underlying Assets relating to a Series of Certificates.

"Wa'd to Sell" means, in relation to a Series of Certificates, the *wa'd* to sell provided by the Issuer to the Counterparty in respect of such Series by execution of the relevant Trust Instrument and into which the terms of the *Wa'd* to Sell Terms Module are incorporated by reference, as the same may be modified and supplemented by the Trust Instrument.

"Wa'd to Sell Terms Module" means the module (May 2011 Edition) containing the standard provisions relating to certain sale arrangements in respect of the Underlying Assets relating to a Series of Certificates.

2. STATUTORY PROVISIONS

Save where the context otherwise requires, references in any Transaction Document or Conditions Module to any statutory provision shall be deemed also to refer to any statutory modification or re-enactment thereof or to any statutory instrument, order or regulation made thereunder or under any such re-enactment.

3. AMENDMENTS

References in any Transaction Document or Conditions Module to that or any other Transaction Document, Conditions Module, agreement, deed or document shall be deemed also to refer to such module, agreement, deed or document as amended, supplemented, varied, replaced or novated (in whole or in part) from time to time and to modules, agreements, deeds and documents executed pursuant thereto.

4. SCHEDULES

Any Schedule, Appendix or Exhibit annexed to a Transaction Document or Conditions Module forms part of such Transaction Document or Conditions Module and shall have the same force and effect as if set out in the body of such Transaction Document or Conditions Module. Any reference to a Transaction Document or Conditions Module shall include any such Schedule, Appendix or Exhibit.

5. HEADINGS

Headings in any Transaction Document or Conditions Module and herein are for ease of reference only.

6. NUMBER

In any Transaction Document or Conditions Module and herein, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

7. SUCCESSORS

Save where the context otherwise requires, references in any Transaction Document or Conditions Module and herein to any party to the Transaction Documents or Conditions Module shall include references to its successors and assigns, whether in security or otherwise, whomsoever.

8. MISCELLANEOUS

In each Transaction Document or Conditions Module, unless otherwise specified in the Issue Terms or the contrary intention otherwise appears, a reference to:

- (a) **"assets"** includes properties, revenues and rights of every description;

an "**authorisation**" includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration and notarisation;

a "**month**" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that, if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that calendar month;

a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental body, agency, department or regulatory, self-regulatory or other authority or organisation; and

- (b) a time of day is a reference to London time.

DESCRIPTION OF THE ISSUER

General

Amanah Certificates Issuance Programme Limited, a Cayman Islands exempted company with limited liability, was incorporated on 22nd March, 2011 under the Companies Law (2010 Revision) of the Cayman Islands with company registration number MC-253806. The Issuer has been established as a special purpose vehicle for the sole purpose of issuing Certificates under the Programme and entering into the transactions contemplated by the Transaction Documents. The registered office of the Issuer is at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands, and its telephone number is +1 345 945 7099.

Share Capital and Shareholders

The authorised share capital of the Issuer is U.S.\$50,000 divided into 50,000 ordinary shares of U.S.\$1.00 each, 1,000 of which have been issued. All of the issued shares (the "**Shares**") are fully-paid and are held by MaplesFS Limited as share trustee (the "**Share Trustee**") under the terms of a declaration of trust (the "**Declaration of Trust**") dated 18th May, 2011 under which the Share Trustee holds the Shares in trust until the Termination Date (as defined in the Declaration of Trust) and may only dispose or otherwise deal with the Shares with the approval of the Delegate for so long as there are Certificates outstanding. Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has the power, with the consent of the Delegate, to benefit the Certificateholders or Qualified Charities (as defined in the Declaration of Trust). It is not anticipated that any distribution will be made whilst any Certificate is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

Business of the Issuer

The Issuer has no prior operating history or prior business and will not have any substantial liabilities other than in connection with the Certificates to be issued under the Programme. The Certificates represent undivided beneficial ownership interest in the Trust Assets and are not the obligations of, or guaranteed in any way by, the Share Trustee, the Delegate or any other party.

The objects for which the Issuer is established are unrestricted and include the business to be carried out by the Issuer in connection with the issuance of certificates as set out in clause 3 of its Memorandum of Association as registered or adopted on 22nd March, 2011.

Financial Statements

Since the date of its incorporation, no financial statements of the Issuer have been prepared. The Issuer is not required by Cayman Islands law, and does not intend to, publish financial statements or appoint any auditors.

Capitalisation

The following table sets out the capitalisation of the Issuer on the date of this Information Memorandum:

Shareholders' Funds

(U.S.\$)

Share capital (authorised U.S.\$50,000; issued 1,000 shares of U.S.\$1.00 each)

Ordinary Shares of U.S.\$1.00 each	1,000
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Total Capitalisation	1,000
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As at the date of this Information Memorandum, the Issuer has no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities. The information above has not been audited.

Directors of the Issuer

The Directors of the Issuer are as follows:

<u>Name</u>	<u>Principal Occupation</u>
Carlos Farjallah	Senior Vice President, MaplesFS Limited
Christopher Bryan	Vice-President, MaplesFS Limited

The Administrator

MaplesFS Limited will also act as the Administrator of the Issuer (in such capacity, the "**Administrator**"). The office of the Administrator will serve as the general business office of the Issuer. Through the office, and pursuant to the terms of an Administration Agreement to be entered into between the Issuer and the Administrator (the "**Administration Agreement**"), the Administrator will perform in the Cayman Islands various management functions on behalf of the Issuer, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. The Issuer and the Administrator will also enter into a registered office agreement (the "**Registered Office Agreement**") for the provision of registered office facilities to the Issuer. In consideration of the foregoing, the Administrator will receive various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the Administration Agreement provide that either the Issuer or the Administrator may terminate such agreement at any time following the happening of any of certain stated events, including any breach by the other party of its obligations under such agreements. The terms of the Registered Office Agreement provide that either the Issuer or the Administrator may terminate such agreement by giving at least 30 days' notice to the other party following any breach by the other party of its obligations under such agreement. In addition, the Administration Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party with a copy to any applicable rating agency.

The Administrator will be subject to the overview of the Issuer's Board of Directors.

The Administrator's principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102 Cayman Islands.

Issuer Expenses

The Arranger has, pursuant to the Fees and Expenses Agreement, agreed to either meet or pay to the Issuer, or otherwise ensure that the Issuer receives, such sums as are necessary to enable the Issuer to meet all of the Issuer's costs, expenses and disbursements in respect of or in any way relating to the Programme (excluding, for the avoidance of doubt, any distributions payable to the Certificateholders or amounts payable to the Counterparty pursuant to any *Shari'a* Contract).

DESCRIPTION OF HSBC BANK PLC

Unless otherwise specified in the relevant Issue Terms, HSBC Bank plc will act as the Counterparty and the Vendor.

HSBC Bank plc and its subsidiaries form a UK-based group providing a comprehensive range of banking and related financial services.

HSBC Bank plc (formerly Midland Bank plc) was formed in England in 1836 and subsequently incorporated as a limited company in 1880. In 1923, the company adopted the name Midland Bank Limited which it held until 1982 when it re-registered and changed its name to Midland Bank plc. During the year ended 31st December, 1992, Midland Bank plc became a wholly owned subsidiary undertaking of HSBC Holdings plc, whose Group Head Office is at 8 Canada Square, London E14 5HQ. HSBC Bank plc adopted its current name, changing from Midland Bank plc, in the year ended 31st December, 1999.

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 7,500 offices in 87 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of £1,619 billion at 31st March, 2011, HSBC is one of the world's largest banking and financial services organisations. HSBC is marketed worldwide as 'the world's local bank'.

The short term senior unsecured and unguaranteed obligations of HSBC Bank plc are currently rated P-1 by Moody's, A-1+ by S&P and F1+ by Fitch and the long term senior, unsecured and unguaranteed obligations of HSBC Bank plc are currently rated Aa2 by Moody's, AA by S&P and AA by Fitch.

HSBC Bank plc's principal place of business in the United Kingdom is 8 Canada Square, London E14 5HQ.

HSBC Bank plc has securities admitted to listing on the Official List of the Financial Services Authority and to trading on the Regulated Market of the London Stock Exchange in the UK and on the Luxembourg Stock Exchange.

TAX CONSIDERATIONS

Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any Certificates under the laws of their country of citizenship, residence or domicile.

9. CAYMAN ISLANDS TAX CONSIDERATIONS

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Certificates. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws:

- (i) payments of dissolution amounts and periodic distributions in respect of any Certificates will not be subject to taxation in the Cayman Islands and no withholding will be required on such payments to any holder of Certificates and gains derived from the sale of any Certificates will not be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance or gift tax;
- (ii) no stamp duty is payable in respect of the issue of the Certificates. Certificates issued in bearer form, or an instrument of transfer in respect of a Certificate issued in registered form, will be stampable if they are executed in or brought into the Cayman Islands (e.g. for the purposes of enforcement) in which case stamp duty of 0.25 per cent. of the principal amount specified on the face of each Certificate up to a maximum of C.I.\$250.00 (U.S.\$304.88) unless C.I.\$500.00 (U.S.\$609.76) has been paid in respect of that Tranche of Certificates, will be payable. An instrument of transfer in respect of a Certificate if executed in or brought within the jurisdiction of the Cayman Islands will be subject to a Cayman Islands stamp duty of C.I.\$100.00 (U.S.\$121.95) ; and
- (iii) subject to the above, a holder of a Certificate will not incur or become liable for any transfer or other similar taxes or charges under the laws of the Cayman Islands by reason of the acquisition, ownership or disposal of the Certificates.

The Issuer has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such has applied for and obtained an undertaking from the Governor-in-Cabinet of the Cayman Islands in substantially the following form:

"CAYMAN ISLANDS GOVERNMENT

THE TAX CONCESSIONS LAW 1999 REVISION

UNDERTAKING AS TO TAX CONCESSIONS

In accordance with Section 6 of the Tax Concessions Law (1999 Revision), the Governor-in-Cabinet undertakes with Amanah Certificates Issuance Programme Limited (the "**Company**"):

- (a) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
 - (i) on or in respect of the shares, debentures or other obligations of the Company; or
 - (ii) by way of withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision).

These concessions shall be for a period of twenty years from 5th April, 2011.

GOVERNOR-IN-CABINET"

10. UNITED KINGDOM TAXATION

The following applies to persons who are the beneficial owners of the Certificates and is a summary of the Issuer's understanding of current law and HM Revenue & Customs practice in the United Kingdom relating to the deduction of United Kingdom income tax from payments of periodic distributions on the Certificates. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Certificates. Some aspects do not apply to certain classes of person (such as dealers and persons connected with the Issuer) to whom special rules may apply. Prospective Certificateholders who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

Any references to "interest" in this section mean, and are restricted to, "interest" as understood solely for the purposes of United Kingdom tax law.

Payments in respect of the Certificates which are treated as interest (including, for the avoidance of doubt, Periodic Distribution Amounts) may be made without withholding or deduction for or on account of United Kingdom income tax unless such payments are regarded as having a United Kingdom source for United Kingdom tax purposes. This will depend, amongst other things, on the terms of the relevant Certificates and prospective Certificateholders should therefore take legal advice on the question of whether any particular Certificates carry a right to United Kingdom source interest.

In the case of payments in respect of the Certificates which are treated as interest (including, for the avoidance of doubt, Periodic Distribution Amounts) which are regarded as having a United Kingdom source, no United Kingdom income tax will be required to be deducted from such payments in the following circumstances:

- (i) where the Certificates are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The Irish Stock Exchange is a recognised stock exchange. The Certificates will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Global Exchange Market of the

Irish Stock Exchange. Provided, therefore, that the Certificates remain so listed, payments in respect of the Certificates which are treated as interest will be payable without withholding or deduction on account of United Kingdom tax;

- (ii) where such payment is paid by a company and at the time the payment is made the Issuer reasonably believes (and any person by or through whom such payment is paid reasonably believes) that the person who is beneficially entitled to such payment is within the charge to United Kingdom corporation tax as regards such payment, provided that HM Revenue & Customs has not given a direction (in circumstances where it has reasonable grounds to believe that it is likely that the beneficial owner is not within the charge to United Kingdom corporation tax in respect of such payment at the time the payment is made) that such payment should be paid under deduction of tax; or
- (iii) where such payments are payable on Certificates which have a maturity of 364 days or less (and those Certificates do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days).

In all other cases where payments in respect of the Certificates which are treated as interest have a United Kingdom source, an amount must be withheld from such payments on account of United Kingdom income tax at the savings rate (currently 20%), subject to any direction to the contrary by HM Revenue & Customs under an applicable double taxation treaty.

Certificateholders may wish to note that in certain circumstances HM Revenue & Customs has power to obtain information (including the name and address of the beneficial owner of payments which are treated as interest) from any person in the United Kingdom who either pays or credits such payments to or receives such payments for the benefit of an individual, or who either pays amounts payable on the redemption of Certificates to or receives such amounts for the benefit of a Certificateholder. HM Revenue & Customs also has power, in certain circumstances, to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Certificates which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person, although HM Revenue & Customs published practice indicates that HM Revenue & Customs will not exercise the power referred to above to require this information in respect of amounts payable on the redemption of deeply discounted securities where such amounts are paid on or before 5th April, 2011. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HM Revenue & Customs with the tax authorities of the jurisdiction in which the Certificateholder is resident for tax purposes.

11. EUROPEAN UNION DIRECTIVE ON THE TAXATION OF SAVINGS

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**Directive**"), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income which may include Periodic Distribution Amounts) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

United States

The Certificates have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or for the account or benefit of U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer will be required to represent, warrant and agree that it has not offered or sold and that it will not offer or sell, any Certificates constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S. Accordingly, neither it, its affiliates, nor any persons acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to any Certificates.

In addition, each Dealer will be required to acknowledge and agree that (i) as a part of its distribution anytime or (ii) otherwise until 40 days after the later of the commencement of the offering of the Certificates and the Closing Date, an offer or sale of Certificates within the United States or for the account or benefit of U.S. persons by any dealer that is not participating in the offering of the Certificates may violate the registration requirements of the Securities Act.

Terms used in these paragraphs have the meanings given to them by Regulation S.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer will be required to represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by this Information Memorandum as completed by the relevant Issue Terms in relation thereto, to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Certificates to the public in that Relevant Member State:

- (a) if the relevant Issue Terms specifies that an offer of those Certificates may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**") following the date of publication of a prospectus in relation to such Certificates which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has been completed by the relevant Issue Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or relevant Issue Terms, as applicable;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000

and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive.

provided that no such offer of Certificates referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Certificates to the public" in relation to any Certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each Dealer will be required to represent and agree that:

- (a) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom; and
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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 Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

Bahrain

Each Dealer will be required to represent, warrant and agree that it has not offered and will not offer any Certificates to the Public (as defined in Articles 142-146 of the Commercial Companies Law (decree Law No. 21/2001) of Bahrain) in Bahrain.

Bangladesh

This Information Memorandum has not been registered with the Securities and Exchange Commission ("**SEC**") of Bangladesh and, accordingly, Certificates may not be offered to a resident of Bangladesh. Furthermore, the Foreign Exchange Regulations Act of 1947 and the Securities & Exchange Ordinance of 1969 prohibits any resident of Bangladesh from holding Certificates as the Information Memorandum has not been approved by the SEC and no issue of Certificates has been approved by the Bangladesh Bank (the central bank of Bangladesh).

By the purchase of a Certificate, the relevant Certificateholder will be deemed to represent and warrant that it is not a resident of Bangladesh. Certificates may not be offered or transferred to a resident of Bangladesh.

Brunei

This Information Memorandum and the Certificates have not been delivered to, registered with or approved by the Brunei Darussalam Registrar of Companies, Registrar of International Business Companies nor the Brunei Darussalam Ministry of Finance. This Information Memorandum will not be registered under the relevant securities laws of Brunei Darussalam. The Certificates have not been and will not be offered, transferred, delivered or sold in or from any part of Brunei Darussalam. This Information Memorandum is strictly private and confidential and is being distributed to a limited number of sophisticated investors ("**relevant persons**") upon their request and confirmation that they fully understand that neither the Certificates nor this Information Memorandum have been approved or licensed by or registered with the Brunei Darussalam Registrar of Companies, Registrar of International Business Companies nor the Brunei Darussalam Ministry of Finance or any other relevant governmental agencies within Brunei Darussalam. This Information Memorandum must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Information Memorandum relates is only available to, and will be engaged in only with, relevant persons.

Cayman Islands

Each Dealer will be required to represent and agree that it will not cause the Issuer to breach the provisions of section 175 of the Companies Law (2010 Revision), which prohibits it from making any invitation (whether directly or indirectly) to the public in the Cayman Islands to subscribe for any of its securities, unless the Issuer is listed on the Cayman Islands Stock Exchange at the time of such invitation.

Egypt

The Certificates may not be offered or sold in any form of general solicitation or general advertising or in a public offering in Egypt unless the pre-approval of the Egyptian Financial Supervisory Authority (the "**EFSA**") has been obtained and that such solicitation is made through an entity duly licensed to promote subscriptions. Certificates may only be offered or sold in Egypt through a private placement to a Qualified Buyer as defined below.

A Qualified Buyer is one of the following:

- (a) a Professional Financial Institution (banks, insurance companies, pension funds, investment funds and portfolio management companies); or
- (b) a Professional Individual being an individual who has at least five years experience in capital markets and local or international stock exchanges or four years of experience for those who have passed a training programme with the EFSA; or
- (c) a High Net Worth Investor being an individual investor: (i) who owns assets with a minimum value of EGP 2.0 million; or (ii) with a minimum annual income of EGP 500,000; or (iii) with a minimum bank savings account balance of EGP 500,000; or (iv) who, as at the placement date, holds securities in two joint stock companies (excluding the Offering) with a minimum value of EGP 2.0 million; or

- (d) a High Net Worth Institutional Investor being an institution having (i) a minimum asset book value of EGP 20.0 million; or (ii) a minimum equity book value of EGP 10.0 million; or (iii) a minimum investment in securities (excluding securities related to the offering) of EGP 5.0 million as at the placement date; or (iv) a license to operate in the field of securities and permitted to acquire securities within its objective.

Each purchaser of the Certificates offered in a private placement in Egypt will be deemed to have represented that it is a Qualified Buyer within the meaning of the Capital Market Law 95 of 1992, its Executive Regulations and the CMA's Directive № 31 of the year 2002 concerning private placements.

Hong Kong

Each Dealer will be required to represent and agree that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or (ii) to "professional investors" as defined in the Certificates and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; 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 purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, 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 Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Certificates and Futures Ordinance and any rules made under that Ordinance.

India

Each Dealer will be required to represent and agree that it has not offered or sold and will not offer or sell in India, by means of any document, any Certificates in circumstances which would constitute an offering to the public within the meaning of the Companies Act, 1956; and that any document by means of which it offers the Certificates will not be generally distributed or circulated in India and will be for the sole consideration and exclusive use of the persons permitted to acquire Certificates under Indian law to whom it is issued. This Information Memorandum is strictly personal to the recipient and neither this Information Memorandum nor any issuance is calculated to result, directly or indirectly, in the Certificates becoming available for subscription or purchase by persons other than those receiving the invitation or offer.

The Certificates have not been approved by the Securities and Exchange Board of India, Reserve Bank of India or any other regulatory authority of India, nor have the foregoing authorities approved this Information Memorandum or confirmed the accuracy or determined the adequacy of the information contained in this Information Memorandum. This Information Memorandum has not been and will not be registered as a prospectus or a statement in lieu of prospectus with the Registrar of Companies in India.

Prospective investors must seek legal advice as to whether they are entitled to subscribe to the Certificates and must comply with all relevant Indian laws in this respect. Each investor is deemed to have acknowledged

and agreed that it is eligible to invest in the Certificates under applicable laws and regulations and that it is not prohibited under any law or regulation in India from acquiring, owning or selling the Certificates.

Indonesia

The Certificates offered under this Information Memorandum are not and will not be registered with the Capital Market Supervisory Agency in Indonesia and therefore are not authorised by the Capital Market Supervisory Agency for sale in a public offering manner in the Indonesian territory and or to Indonesian citizens wherever they are domiciled or to Indonesian entities or residents (including distribution and dissemination of this Information Memorandum, any Supplemental Information Memorandum and other written materials either through advertisements or other media) in circumstances which constitute a public offering of securities under the Indonesian Law No. 8/1995 regarding Capital Markets.

Japan

The Certificates have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended; the "**FIEL**") and each Dealer will be required to represent, warrant and agree that it will not offer or sell any Certificates, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Jordan

Each Dealer will be required to represent, warrant and agree that the Certificates have not been and will not be offered, sold or promoted or advertised by it in the Hashemite Kingdom of Jordan other than in compliance with the Provisional Securities Law No. 76 of the Year 2002, as amended, and the regulations issued pursuant to it governing the issue, offering and sale of securities.

In particular, each Dealer will be required to agree that any Certificates to be offered in Jordan will be on a cross border basis based on one-on-one contacts to no more than thirty potential investors and accordingly the Certificates will not be registered with the Jordanian Securities Commission and a local prospectus is not required.

Pakistan

By a purchase of a Certificate, the relevant holder of the Certificate will be deemed to represent and warrant that it is not a person (natural or juridical) who is a resident of Pakistan (a "**Prohibited Investor**") and that the Certificates will not be offered or transferred to a Prohibited Investor and, if so specified in the relevant Issue Terms, each holder of the Certificate will be required to represent and warrant on exercise or redemption that it is not a Prohibited Investor.

Kenya

This Information Memorandum and the offer of Certificates contained within it has not been and will not be approved by the Capital Markets Authority in Kenya and the Certificates will not be listed on the Nairobi Stock Exchange.

The offer of Certificates and the Certificates do not constitute an offer of Certificates to the public within the meaning of section 57 of the Companies Act (chapter 486 of the Laws of Kenya). The offer of Certificates will be carried out as a "private" offer within the meaning of regulation 21 of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002.

Each Dealer will be required to represent and agree that this Information Memorandum will be distributed in Kenya to a limited number of investors and will not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the Certificates may not be offered or sold directly or indirectly to the public in Kenya.

Kuwait

Each Dealer will be required to represent and agree that the Certificates have not been and will not be offered, sold or promoted or advertised by it in the State of Kuwait other than in compliance with the Decree Law No. 31 of 1990, as amended, and the Ministerial Order No. 113 of 1992, as amended governing the issue, offering and sale of securities. No private or public offering of the Certificates is being made in Kuwait, and no agreement relating to the sale of the Certificates will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Certificates in Kuwait.

Lebanon

Each Dealer will be required to represent and agree that the Certificates have not been and will not be offered, sold or publicly promoted or advertised by them in Lebanon other than in compliance with laws applicable in Lebanon governing the issue, offering and sale of securities.

Malaysia

Each Dealer will be required to acknowledge that the offer of Certificates in Malaysia can only be made to investors specified in Schedule 8 (or Section 257(1)) of the Capital Markets and Services Act, 2007.

Monaco

The Certificates shall only be offered or sold to duly authorised banks and licensed portfolio management companies in Monaco or otherwise as lawfully permitted in Monaco.

Morocco

Each Dealer will be required to represent and agree that it has not offered or sold, and will not offer or sell, directly or indirectly, any Certificates to the public in Morocco, and that it will not distribute this Information Memorandum, any Supplemental Information Memorandum or any other offering material relating to the Certificates to the public in Morocco.

Nigeria

This Information Memorandum and the Certificates have not been and will not be registered with the Nigerian Securities & Exchange Commission, or under the Nigerian Investment Securities Act No. 29 of 2007 ("ISA"). Further, neither this Information Memorandum nor any Supplemental Information Memorandum nor any other offering material related to the Certificates may be utilised in connection with any offering to the public within Nigeria, and the Certificates may not be offered or sold within Nigeria or to, or for the account or benefit of, persons resident in Nigeria, except in

certain transactions exempt from the registration requirements of the ISA. Accordingly, this Information Memorandum is not directed to, and the Certificates are not available for subscription by, any persons within Nigeria, other than the selected investors to whom this Information Memorandum has been addressed as a private sale, or domestic concern, within the exemption and meaning of Section 69 of ISA.

Each Dealer will be required to agree that, subject to the provisions of the ISA and regulations made thereunder, it will not offer, sell or deliver the Certificates in Nigeria as part of their distribution at any time.

Oman

The offering of the Certificates has not been approved by the Central Bank of Oman or the Oman Council of Ministers and so the Certificates may not be publicly offered in the Sultanate of Oman.

Qatar

Each Dealer will be required to represent, warrant and agree that the Certificates have not been and will not be offered, sold or publicly promoted or advertised by it in Qatar other than in compliance with laws applicable in Qatar governing the issue, offering and sale of securities.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires Certificates pursuant to any offering should note that the offer of Certificates is an exempt limited offer under Article 11 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated 4th October, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18th August, 2008 (the "**KSA Regulations**"). Each Dealer will be required to represent, warrant and agree that any offer of Certificates will not be directed at more than 60 Saudi Investors (excluding "Sophisticated Investors" (as defined in Article 10 of the KSA Regulations)) and the minimum amount payable per Saudi Investor will be not less than Saudi Riyal (SR) 1 million or an equivalent amount.

Each offer of Certificates shall not therefore constitute a "public offer" of pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Certificates pursuant to a limited offer may not offer or sell those Certificates to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (a) the Certificates are offered or sold to a Sophisticated Investor; (b) the price to be paid for the Certificates in any one transaction is equal to or exceeds SR 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore, and the Certificates will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "**Securities and Futures Act**"). Accordingly, the Certificates may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Information Memorandum, any Supplemental Information Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Certificates be circulated or distributed, whether directly or

indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following persons specified in Section 275 of the Securities and Futures Act which has subscribed or purchased the Certificates, namely a person who is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) 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; and
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interests in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Certificates under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person or to any person pursuant to Section 275(1) and Section 275(1A) of the Securities and Futures Act, respectively and in accordance with the conditions specified in Section 275 of the Securities and Futures Act;
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) pursuant to Section 276(7) of the Securities and Futures Act.

South Africa

Each Dealer will be required to agree that it has not and will not offer for sale or subscription or sell any Certificates, directly or indirectly, within the Republic of South Africa or to any person or corporate or other entity resident in the Republic of South Africa except (a) in accordance with the exchange control regulations of the Republic of South Africa and (b) to any entity resident or within the Republic of South Africa in accordance with the Commercial Paper regulations and the Companies Act 1973 and the Financial Advisory and Intermediary Services Act 2002.

Switzerland

This Information Memorandum does not constitute an issue offering circular pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and the Issuer has not registered and will not register with the Swiss Federal Banking Commission ("SFBC") as a foreign collective investment scheme. This Information Memorandum has therefore not been approved or disapproved by the SFBC. As a result, an investor in Certificates issued under the Programme will not benefit from the specific investor protection and/or supervision by the SFBC afforded under the Federal Act of Collective Investment Schemes and its implementing ordinances. Any offer of sale must therefore

be in strict compliance with the Swiss law and in particular with the rules of the Federal Act on Collective Investment Schemes and its implementing ordinances and the circular 03/1 of the SFBC on public solicitation. Accordingly, each Dealer will be required to represent, warrant and agree that it will not offer, promote, sell or distribute any Certificates to the public in or from Switzerland, except to qualified investors in accordance with the Federal Act on Collective Investment Schemes and its implementing ordinances.

United Arab Emirates

Each Dealer will be required to acknowledge and agree that:

- (a) Certificates have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities; and
- (b) the information contained in this Information Memorandum does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law No. 8 of 1986 (as amended)) or otherwise and is not intended to be a public offer and the information contained in this Information Memorandum is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the United Arab Emirates.

General

Each Dealer will be required to represent, warrant and agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Certificates or possesses or distributes this Information Memorandum or any Supplemental Information Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Certificates under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, the Trustee, the Delegate, the Arranger and any other Dealer shall have any responsibility therefor.

Neither the Issuer, the Delegate nor any Dealer represents that Certificates may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. Persons into whose possession this Information Memorandum or any Certificates may come must inform themselves about, and observe, any applicable restrictions on the distribution of this Information Memorandum and the offering and sale of Certificates.

With regard to each Series of Certificates, the relevant Dealer(s) will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer(s) shall agree and as shall be set out in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms.

GENERAL INFORMATION

Authorisation

The establishment of the Programme and the issue of Certificates have been duly authorised by a resolution of the Board of Directors of the Issuer dated 18th May, 2011.

Listing of Certificates

It is expected that each Series of Certificates which is to be admitted to trading on the Irish Stock Exchange's Global Exchange Market and to be traded on the Irish Stock Exchange will be admitted separately as and when issued, subject only to the issue of a Global Certificate or Certificates initially representing the Certificates of such Series. Application has been made to the Irish Stock Exchange for Certificates to be admitted to listing on its Official List and trading on its Global Exchange Market. The listing of the Programme is expected to be granted on or before 20th May, 2011.

The total expenses to be incurred with regard to the admission to trading are approximately €4,440.

Documents on Display

For so long as any Series of Certificates remains outstanding copies of the following documents (together with any other documents specified in the relevant Supplemental Information Memorandum (if any)) will, when published (to the extent applicable), be available in physical form during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for inspection by Certificateholders of the relevant Series (upon receipt from the relevant Certificateholder of evidence satisfactory to the Issuer or Paying Agent as to its holding of Certificates and identity) at the registered office of the Issuer and from the specified offices of the Paying Agents in respect of such Certificates:

- (i) the Memorandum and Articles of Association of the Issuer;
- (ii) the Transaction Documents relating to such Certificates;
- (iii) a copy of this Information Memorandum and the Supplemental Information Memorandum relating to such Certificates (if any), together with any document required or permitted to be published by the Irish Stock Exchange; and
- (iv) any future information memoranda, prospectus, offering circulars and supplements to this Information Memorandum relating to such Series, including Issue Terms, and any other documents incorporated therein by reference.

Clearing Systems

The Certificates (other than those in definitive form) will be accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping records) (unless otherwise specified in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms). The appropriate Common Code and ISIN for each Series allocated by Euroclear and Clearstream, Luxembourg will be specified in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms. If the Certificates are to clear through an

additional or alternative clearing system the appropriate information will be specified in the relevant Supplemental Information Memorandum (if any) or the relevant Issue Terms.

The address for Euroclear is 3 Boulevard du Roi Albert II, B.1210, Brussels, Belgium.

The address for Clearstream, Luxembourg is 42 Avenue J.F.Kennedy, L-1855, Luxembourg.

Significant or Material Change

Save as disclosed in this Information Memorandum, there has been no significant change in the financial or trading position of the Issuer and there has been no material adverse change in the financial position or prospects of the Issuer since the date of its incorporation.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since the Issuer's incorporation which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Conditions for Determining Price

The price and amount of Certificates to be issued under the Programme will be determined by the Issuer and the Dealer at the time of issue in accordance with prevailing market conditions.

Post-Issuance Information

Other than as set out in any Supplemental Information Memorandum or Issue Terms, the Issuer does not intend to provide any post issuance information in relation to the Underlying Assets and any Series of Certificates.

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AND CUSTODIAN**

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