



恒生銀行
HANG SENG BANK

Hang Seng Bank Limited

(incorporated in Hong Kong with limited liability, a licensed bank regulated by the Hong Kong Monetary Authority and registered under the Securities and Futures Ordinance of Hong Kong for types 1, 4, 7 and 9 regulated activities)

as Issuer and Product Arranger

Programme for the Issue of Unlisted Equity Linked Structured Products (“Programme”)

Arrangers to the Programme

Hang Seng Bank Limited

Hang Seng Investment Management Limited

(incorporated in Hong Kong and licensed under the Securities and Futures Ordinance of Hong Kong for types 1, 4, 5, 6 and 9 regulated activities)

Hang Seng Securities Limited

(incorporated in Hong Kong and licensed under the Securities and Futures Ordinance of Hong Kong for types 1 and 4 regulated activities)

Our unlisted equity linked structured products (“Structured Products”) issued under our Programme are embedded with derivatives and are complex products. Investors should exercise caution in relation to the Structured Products. Investors are warned that the market value of our Structured Products may fluctuate and investors may sustain a total loss of their investment. Prospective investors should therefore ensure that they understand the nature of the products and carefully study the risk factors set out in this document and other documents comprising the offering documents for the products and, where necessary, seek independent professional advice, before they decide whether to invest in the products.

The Structured Products issued under our Programme constitute general unsecured and unsubordinated contractual obligations of Hang Seng Bank Limited as the Issuer and of no other person. If you purchase these Structured Products, you are relying upon the creditworthiness of Hang Seng Bank Limited as the Issuer and have no rights under the terms and conditions of the Structured Products against the issuer(s) of the linked asset(s).

The Securities and Futures Commission (“SFC”) has authorised the issue of this document under Section 105(1) of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). The SFC takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. The SFC’s authorisation does not imply its endorsement or recommendation of the products referred to in this document.

IMPORTANT

If you are in any doubt about any of the contents of this information memorandum, you should obtain independent professional advice.

The offering documents for our Structured Products include particulars given in compliance with the Code on Unlisted Structured Investment Products issued by the SFC (the “Code”) for the purpose of giving information with regard to Hang Seng Bank Limited (as the Issuer and the Product Arranger), the Programme and our Structured Products. Hang Seng Bank Limited (as the Issuer and the Product Arranger) accepts full responsibility for the contents of, and the completeness and accuracy of the information contained in our Structured Products offering documents and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there is no untrue or misleading statement, or other facts the omission of which would make any statement herein untrue or misleading. Hang Seng Bank Limited (as the Issuer and the Product Arranger) also confirms that it meets the eligibility requirements applicable to issuers and product arrangers under the Code respectively and our Structured Products comply with the Code. Hang Seng Bank Limited is the “Product Arranger” for the purpose of the Code.

In this information memorandum, references to the “indicative term sheet” are to the indicative term sheet for a particular series of Structured Products, references to the “final term sheet” are to the final term sheet for a particular series of Structured Products, and references to the “relevant term sheet” are to both indicative and final term sheets for a particular series of Structured Products.

IMPORTANT RISK WARNING

The following risks should be read together with other risks factors contained in the “Risk Factors” sections in this information memorandum and the relevant product booklet respectively.

- **Our Structured Products may not be capital protected or may be partially capital protected at maturity only —**
 - (i) Where our Structured Products are not capital protected, the potential payout that you receive at maturity may be substantially less than the original amount you invested. **You could lose all of your investment.**
 - (ii) Where our Structured Products are partially capital protected at maturity, the potential payout that you receive at maturity may be less than your initial investment amount but is subject to a base redemption level as specified in the relevant term sheet if they are held until maturity (subject to other risks including our creditworthiness and the creditworthiness of your distributor and/or its custodian(s) as mentioned below). However, if such Structured Products are otherwise early terminated, you may receive an amount which is less than the minimum payout at maturity and is substantially less than your initial investment amount.
- **No collateral —** Our Structured Products are not collateralised and are not secured on any of our assets.
- **Unlisted structured products and NOT protected deposits —** Our Structured Products are unlisted structured products embedded with derivatives and are not equivalent to nor should they be treated as time deposits. They are NOT a protected deposit for the purposes of the Deposit Protection Scheme.
- **Limited market making arrangement —** Our Structured Products are designed to be held till maturity. However, if you try to sell our Structured Products you hold before the maturity date, we will provide daily market making arrangement within the time period as specified in the indicative term sheet for you to sell back the Structured Products, but the actual sell back price that you receive may be less than or substantially less than the original amount you invested. In addition, you should note that we may not be able to provide market making arrangements on a market making day if the relevant Structured Products are affected by market disruption events.
- **You rely on our creditworthiness —** Our Structured Products constitute general unsecured and unsubordinated contractual obligations of Hang Seng Bank Limited as the Issuer. When you buy our Structured Products, you will be relying on the creditworthiness of Hang Seng Bank Limited as

the Issuer and of no other person. You have no rights under the terms of our Structured Products against any issuer(s) of the linked asset(s). **Regardless of whether our Structured Products are partially capital protected at maturity or not capital protected, if we become insolvent or default on our obligations under our Structured Products, in the worst case scenario, you could lose all of your investment.**

- **You rely on the creditworthiness of your distributor or its custodian(s)** — When you invest in our Structured Products, you rely on the creditworthiness of your distributor or its custodian(s). If your distributor becomes insolvent or defaults on its obligations, you will have a right to claim against such distributor. If your distributor's custodian becomes insolvent or defaults on its obligations, you will not have any direct contractual rights against such custodian and will have to rely on your distributor to take action against such custodian. **In the worst case scenario, you could lose all of your investment.**
- **May not have direct enforcement rights** — If our Structured Products are held either (i) through the clearing system or (ii) outside the clearing system through a distributor other than us, you will have to rely on your distributor or its custodian(s) to take action to assert your rights as an investor in our Structured Products on your behalf and will not have direct contractual rights of enforcement against us as the Issuer. **In the worst case scenario, you could lose all of your investment.**
- **Not the same as investing in linked asset(s)** — Investing in our Structured Products is not the same as investing in the linked asset(s). During the investment period, you have no rights in the linked asset(s) (except as specified otherwise in the relevant product booklet). Changes in the market price or level of such linked asset(s) may not lead to a corresponding change in the market value of, or the potential gain or loss under, our Structured Products.
- **Not covered by Investor Compensation Fund** — Our Structured Products are not listed on any stock exchange and are not covered by the Investor Compensation Fund.
- **Conflicts of interest** — You should note that conflicts of interest may arise from the different roles played by us and our subsidiaries and affiliates in connection with our Structured Products and our economic interests in each role may be adverse to your interests in our Structured Products.
- **English version of the terms and conditions may prevail** — If our Structured Products are held through international securities clearing systems, the terms and conditions of our Structured Products are issued in English only for the purpose of lodgement with the relevant clearing systems, and shall prevail over the Chinese version of the terms and conditions contained in the Chinese version of the relevant product booklet in the event of inconsistency. If you do not understand the English version, you should obtain independent professional advice.

OFFERING DOCUMENTS

Our Structured Products are only sold through the distributor(s) specified in the indicative term sheet. You may obtain copies of the following offering documents from us (as the Issuer) or the distributor(s) set out in the indicative term sheet:

- (i) the relevant indicative term sheet for a particular series of our Structured Products;
- (ii) this information memorandum and any updating addendum;
- (iii) the financial disclosure document and any updating addendum; and
- (iv) the product booklet for a particular type of our Structured Products and any updating addendum.

Before you decide whether to buy our Structured Products, you should read and understand all the offering documents referred to above and understand how our Structured Products work. If you are in any doubt about any of the contents of the offering documents, you should seek independent professional advice.

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SUMMARY OF OUR PROGRAMME

We have set up our Programme so that we can issue our Structured Products to the public in Hong Kong frequently and easily.

This is an overview of the main features of our Programme.

Issuer:	Hang Seng Bank Limited
	The key responsibility of the Issuer is to issue the Structured Products.
Description of Programme:	Programme for the issue of unlisted equity linked structured products.
Structured Products:	<p>Our Structured Products are embedded with derivatives. Derivatives are financial instruments whose value and return would depend on the performance of their linked asset(s). The type of derivative to which our Structured Products relate will be described in the relevant product booklet.</p> <p>The potential payout of our Structured Products is linked to the performance of a linked asset or assets (such as shares of a company or shares or units of a fund or indices) as specified in the relevant product booklet and the relevant term sheet.</p> <p>Depending on the terms of the particular type of Structured Products, you may receive payment of a certain cash amount or physical settlement of the relevant linked asset (if it is a share of a company or a share or unit of a fund). During the investment period, you have no rights in the relevant linked asset (except as specified otherwise in the relevant product booklet).</p> <p>Our Structured Products are not rated.</p>
How we issue:	<p>Our Structured Products will be offered in series. Each series of our Structured Products will have specific terms and conditions that are applicable to that series only.</p> <p>We may issue further Structured Products based on the same terms and conditions except for the issue dates, payment dates and issue prices.</p> <p>You can buy our Structured Products through the distributors as specified in the indicative term sheet.</p>
Settlement currency:	We may issue and settle Structured Products in any currencies. We will specify the settlement currency in which our Structured Products may be issued and settled in the relevant term sheet. Our Structured Products will be issued and settled in the same currency.
Ranking of our Structured Products:	<p>Our Structured Products rank as our general unsecured and unsubordinated obligations, ranking equally with all our other present and future unsecured obligations.</p> <p>Our Structured Products are not secured on any asset or collateral.</p>

Arrangers:	<p>Hang Seng Bank Limited, Hang Seng Investment Management Limited and Hang Seng Securities Limited each and together arranged the establishment of the Programme and will arrange the distribution of any particular series of our Structured Products, including but not limited to assisting with the preparation of any relevant public offering documentation or marketing materials and sourcing distributors in respect of a particular series.</p> <p>Hang Seng Bank Limited is registered under the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (“SFO”) for types 1, 4, 7 and 9 regulated activities. Hang Seng Investment Management Limited is licensed under the SFO for types 1, 4, 5, 6 and 9 regulated activities. Hang Seng Securities Limited is licensed under the SFO for types 1 and 4 regulated activities.</p> <p>Hang Seng Bank Limited is the “Product Arranger” for the purpose of the Code.</p>
Minimum investment amount:	We will specify the minimum investment amount in the relevant term sheet.
Governing law of our Structured Products:	The laws of the Hong Kong Special Administrative Region of the People’s Republic of China (“ Hong Kong ”).
Listing:	Our Structured Products will not be listed on any stock exchange.
Use of proceeds:	We will generally use the proceeds of our Structured Products to enter into transactions to hedge our exposure under the Structured Products.
Size of our Programme:	There is no limit on the total size of our Programme.
Post-sale cooling-off period:	The indicative term sheet will specify if a post-sale cooling-off period is applicable to a particular series of our Structured Products.
Market making arrangement:	Our Structured Products are designed to be held until expiry. However, we will provide daily market making arrangements for you to sell back the Structured Products. The relevant product booklet and the indicative term sheet will specify the specific market making arrangement applicable to a particular series of our Structured Products. You should note that the actual sell back price could be much lower than the amount you invested.

WHAT ARE OUR STRUCTURED PRODUCTS

Our Structured Products are issued under our Programme

Our Structured Products will be issued and sold under our Programme. The following documents constitute our Structured Products offering documents. You should read all of these documents (including any addendum to this information memorandum, the product booklet and/or the financial disclosure document as set out in the indicative term sheet) before deciding whether to invest.

- This **information memorandum** contains a summary description of our Programme, the corporate information of Hang Seng Bank Limited and the general risks of buying our Structured Products.
- The **financial disclosure document** will include the latest public financial information about us, including the audited consolidated financial statements and unaudited condensed consolidated financial statements (if any).
- The **product booklet** for each type of Structured Products issued by us will set out the general terms and conditions for a type of Structured Product together with the description and explanation of how that type of Structured Product works, the relevant features and risks that are applicable to that type of Structured Product and scenario analysis demonstrating the various potential payout scenarios for that type of Structured Product. The product booklet for a type of Structured Product will also contain one or more key facts statement(s) setting out the key facts and the key risks in respect of each variation of such type of Structured Products.
- The **indicative term sheet** for each series of Structured Products will set out the specific terms and conditions applicable to that series of Structured Products.

The offer of each series of Structured Products is made only on the basis of this information memorandum, the financial disclosure document, the relevant product booklet, any updating addendum to each of such document as specified in the indicative term sheet, and the indicative term sheet.

Legal terms and conditions of our Structured Products

When read together, the terms and conditions set out in the relevant product booklet, as varied, amended or supplemented by the final term sheet will constitute the full terms and conditions applicable to the relevant series of Structured Products.

Certain details about the relevant series of Structured Products (such as the initial stock price) may only be ascertained on the start date and will be set out in the final term sheet. The final term sheet will be made available for inspection from the issue date during normal business hours at the Arrangers' office at 83 Des Voeux Road Central, Hong Kong. A contract note specifying all these finalised terms will be sent to you 2 business days after the start date of the relevant series of Structured Products.

Form of our Structured Products and custody arrangements with distributors

Each series of Structured Products (including any further issuances) will be represented by a single global certificate.

The global certificate representing the entire issue for a series of Structured Products will, upon issuance, be registered in the name of either (as determined by the Issuer): (a) a common nominee for Euroclear and/or Clearstream, Luxembourg which are international securities clearing systems, in which case the Structured Product will be referred to as being "held through the clearing system", or (b) the nominee of the Issuer, in which case the Structured Product will be referred to as being "held outside the clearing system". The relevant term sheet for a series of Structured Products will specify whether the Structured Products in that series will be held through the clearing system or held outside the clearing system. The common nominee for Euroclear and/or Clearstream, Luxembourg or the nominee of the Issuer will be the "**holder**" of our Structured Products that you invest.

Our Structured Products, in the form of a global certificate, will be credited to either (i) if the Structured Products are to be held through the clearing system, the accounts of the relevant distributors with Euroclear and/or Clearstream, Luxembourg or (where the relevant distributor does not have an account with Euroclear and/or Clearstream) the account of the distributor's custodian(s) with Euroclear and/or Clearstream, Luxembourg (the relevant distributor (or, where applicable, the distributor's custodian(s)) will be the "**accountholder**" of our Structured Products that you invest as individual investors cannot open a personal account at Euroclear or Clearstream, Luxembourg); or (ii) if the Structured Products are to be held outside the clearing system through a distributor other than us, the relevant distributor's accounts with us; or (iii) if the Structured Products are to be held outside the clearing system through us as your distributor, your account with us (the account holders under (ii) and (iii) above are both referred to as the "**Issuer Account Holder**").

If you do not have a securities or investment account with your distributor yet, you will have to open one before you can buy our Structured Products. Securities or investment accounts and other services will be supplied by your distributor subject to its standard terms and conditions in relation to account opening. We are not responsible for the way your distributor handles your account. This does not of course affect your position where we act as your distributor.

You should note that your total return on an investment in our Structured Products will be affected by charges levied by your distributor in relation to your securities or investment account that you have opened with the distributor. Please contact your distributor for more information about such charges and the details of the terms and conditions that the relevant accounts are subject to.

In limited circumstances where the relevant clearing systems through which our Structured Products will be held close down (in the case where the series of Structured Products is held through the clearing system), or otherwise specified in the terms and conditions for the relevant Structured Products, we may issue individual definitive certificates for our Structured Products. The registrar's and structured product agency agreement dated 31 July 2009 (the "**Agency Agreement**"), the key provisions of which will be summarised in the terms and conditions for the relevant Structured Product as provided in the relevant product booklet, provides in detail for the arrangements which will apply in the unlikely event that individual definitive certificates have to be issued. If this happens, we will give a notice to you, or if applicable, your distributor, as soon as practicable summarising the relevant arrangements. If applicable, you will have to rely on your distributor to notify you accordingly.

Who can enforce our Structured Products?

When issued, our Structured Products have the benefit of a **deed of covenant** executed by us on 31 July 2009 (the "**Deed of Covenant**"). The Deed of Covenant entitles the accountholders in the clearing systems or the Issuer Account Holder (as the case may be) which have been credited with interests in the global certificate to take action against us directly to enforce their rights under the Structured Products in the event we, as the Issuer, become insolvent or default on our obligations under the Structured Products.

If our Structured Products are held outside the clearing system through us as your distributor

In such case, you are an Issuer Account Holder. You will have direct contractual rights of enforcement against us as the Issuer in accordance with the Deed of Covenant.

If our Structured Products are held either (i) through the clearing system or (ii) outside the clearing system through a distributor other than us

In such case, your distributor (or, where applicable, your distributor's custodian(s)) will be the Issuer Account Holder or the accountholder of our Structured Products. Your distributor (or, where applicable, your distributor's custodian(s)) will be given direct contractual rights of enforcement against us as the Issuer under the Deed of Covenant. You do not have direct contractual rights against your distributor's custodian(s) (if applicable) or us as the Issuer. In order to assert your rights as an investor in our Structured Products, you will have to rely on your distributor (either directly or, where applicable, through its custodian(s)) to take action on your behalf if we, as the Issuer, become insolvent or default on our obligations under the Structured Products.

Accordingly, if your distributor fails to take action in accordance with your instructions or otherwise defaults on its obligations or becomes insolvent, you will need to take action directly against your distributor in accordance with the terms of arrangement between you and the distributor to establish your interest in our Structured Products before you could assert your right of claim against your distributor's custodian(s) (if applicable) and us as the Issuer. You may experience difficulties in taking such legal proceedings. This is a complicated area of law and you should seek independent advice for further information.

It is therefore important that you familiarise yourself with, and ensure that you understand your relationship with your distributor in relation to the holding arrangements of our Structured Products and the arrangements with your distributor regarding taking action against us as the Issuer, your distributor or your distributor's custodian(s) (if applicable) upon any default of our obligations as the Issuer under our Structured Products. If you do not understand such arrangements with your distributor or you would like to know the steps to enforce your rights under the Structured Products, you should seek independent professional advice.

How will we make payments and send notices to you?

If a series of our Structured Products is held outside the clearing system and you invest through us as your distributor, we will deliver notices and make payments under the terms of the Structured Products directly to you.

If a series of our Structured Products is held outside the clearing system and you invest through a distributor other than us, we will arrange for the notice to be sent and payments to be made to your distributor through the nominee of us as the Issuer and your distributor will forward such notice and/or payments to you.

If a series of our Structured Products is held through the clearing system, we will arrange for the notice to be sent and payments to be made to your distributor (including us being your distributor) (or, where applicable, your distributor's custodian(s)) through the relevant clearing system and your distributor (or, where applicable, your distributor's custodian(s)) will forward such notice and/or payments to you.

Please refer to the section headed "SETTLEMENT, CLEARANCE AND CUSTODY" for details.

How will you send notices to us?

Unless the Structured Products are held outside the clearing system and you invest in the Structured Products through us as your distributor, you will need to rely on your distributor (or, where applicable, your distributor's custodian(s)) to send any notice under the relevant terms and conditions. You will need to instruct your distributor in accordance with the normal operational procedures of such distributor so that your distributor can in turn instruct the nominee of Euroclear and/or Clearstream, Luxembourg (directly, or, where applicable, through your distributor's custodian(s)) or our nominee to send such notices to us as the Issuer before the deadline stipulated in the relevant terms and conditions. If the Structured Products are held outside the clearing system and you invest in the Structured Products through us as your distributor, you will need to send any notice under the relevant terms and conditions to us directly.

How will we make deliveries of the relevant linked asset which forms the physical settlement amount to you?

If there is a physical settlement of the relevant linked asset upon maturity, we will arrange for the relevant linked asset which forms the physical settlement amount to be delivered to you in the following manner:

- (i) if the Structured Products are held outside the clearing system and you invest in the Structured Products through a distributor other than us, or if the Structured Products are held through the clearing system, such linked asset will be delivered to your distributor (or, where applicable, your distributor's custodian(s)) through the relevant clearance system as specified in the relevant product booklet and your distributor (or, where applicable, your distributor's custodian(s)) will credit such linked asset to your account with your distributor; or
- (ii) if the Structured Products are held outside the clearing system and you invest in the Structured Products through us as your distributor, such linked asset will be credited through to your account with us directly.

Please refer to the section headed “SETTLEMENT, CLEARANCE AND CUSTODY” for details.

The calculation agent will make determinations and exercise discretion under the terms and conditions of our Structured Products

We or any affiliated entity of us as specified in the relevant term sheet will act as the calculation agent for the relevant series of Structured Products. The calculation agent will make all determinations, and exercise all discretion, under the terms and conditions of our Structured Products in good faith and in a commercially reasonable manner. Any decision the calculation agent makes is (save in the case of manifest error) final and binding on you and on us as the Issuer.

Our Structured Products involve derivatives

Our Structured Products are structured products embedded with derivatives. Derivatives are financial instruments whose value and returns derive from another asset(s).

The particular derivative involved for a specific type of Structured Product will be set out in the relevant product booklet.

We have appointed an agent and a registrar for administrative functions

Administrative matters relating to our Structured Products are dealt with in the Agency Agreement, pursuant to which Hang Seng Bank Limited will act in the capacity as the agent and Hang Seng Bank Limited, Singapore Branch will act as the registrar. This agreement sets out the arrangements between us as the Issuer and agent and our registrar for:

- making any payments and delivery of the linked assets due under our Structured Products;
- giving notices in respect of our Structured Products;
- issuing individual definitive certificates for our Structured Products, in the unlikely event that we ever need to do so; and
- keeping records and dealing with other administrative matters.

Hang Seng Bank Limited, Singapore Branch as our registrar owes no duties to you as an investor in our Structured Products.

Each offer of our Structured Products is arranged under a distribution agreement

We may sell our Structured Products in the capacity as a distributor or we may enter into distribution agreement with the distributors appointed for each series of our Structured Products for the offering of the Structured Products to the retail public in Hong Kong. These agreements record the detailed arrangements between us and the distributors involved in offering our Structured Products: you do not, as an investor in Structured Products, have any rights under these agreements. If these agreements, as they apply to any particular offering of our Structured Products, contain information which is relevant to you as an investor in the Structured Products, we will disclose it in the relevant product booklet or the indicative term sheet.

Holders of our Structured Products rank for payment equally with our other unsecured creditors

Our obligations under our Structured Products are not a deposit liability of ours nor a debt of any kind. Our Structured Products constitute our general unsecured and unsubordinated obligations. This means that if we become insolvent or default on our obligations under the Structured Products, Structured Product holders (and the accountholders in the clearing systems or the Issuer Account Holders (as the

case may be) whose accounts the Structured Products are credited) will rank for payment equally with all our other creditors whose claims are not:

- preferred by law;
- secured on our assets; or
- subordinated, which means that such subordinated creditors rank after the claims of other creditors.

We can re-open a series of Structured Products to issue more Structured Products of the same series later

We reserve the right to create and issue more Structured Products of a particular series in a follow-on offering after the initial offering has closed. The further Structured Products will be issued so that they are interchangeable with the originally issued Structured Products — the only differences will be the issue price, the issue date and the payment date. Where further Structured Products of the same series are issued, a separate term sheet will be prepared for each issue of further Structured Products. The existing global certificate will be amended to cover such further issuance of Structured Products. The further issue will not have an adverse impact on the market value of the Structured Products previously issued.

The governing laws of our Structured Products

All our Programme documentation, including the terms and conditions of our Structured Products, is governed by the laws of Hong Kong. The terms and conditions of our Structured Products provide that the courts of Hong Kong have non-exclusive jurisdiction to settle any dispute in connection with our Structured Products.

RISK FACTORS

There are risks associated with investing in our Structured Products

Your investment in our Structured Products involves risks, including those inherent in any investment. You should read this section together with the “Important Risk Warning” section on pages 2 to 3 of this information memorandum and the risk factors set out in the relevant product booklet and indicative term sheet, and ensure that you understand the nature of all these risks before deciding whether to invest in our Structured Products.

Risk associated with our Structured Products

- **Our Structured Products may not be capital protected or may be partially capital protected at maturity only**

Our Structured Products are structured products embedded with derivatives.

Where our Structured Products are not capital protected, the potential payout that you receive at maturity may be substantially less than the original amount you invested. **You could lose all of your investment.**

Where our Structured Products are partially capital protected at maturity, the potential payout that you receive at maturity may be less than your initial investment amount but is subject to a base redemption level as specified in the relevant term sheet if they are held until maturity (subject to other risks including our creditworthiness and the creditworthiness of your distributor and/or its custodian(s) as mentioned below). However, if such Structured Products are otherwise early terminated, you may receive an amount which is less than the minimum payout at maturity and is substantially less than your initial investment amount.

- **Unlisted Structured Products and not protected deposits**

Our Structured Products are unlisted structured products and are not deposits. They should not be treated as a substitute for conventional time deposits. They are NOT protected deposits for the purposes of the Deposit Protection Scheme.

- **Not covered by the Investor Compensation Fund**

Our Structured Products are not listed on any stock exchange. They are not covered by the Investor Compensation Fund.

- **No collateral**

Our Structured Products are not collateralised and are not secured on any of our assets.

- **Not the same as investing in the linked asset(s)**

During the investment period, you have no rights in the linked asset(s) (except as otherwise specified in the relevant product booklet). In addition, the market value of our Structured Products derives from the market price or level of the linked asset(s) of our Structured Products but changes in the market price or level of such linked asset(s) may not lead to a corresponding change in the market value of, or the potential gain or loss under, our Structured Products or even any increase or decrease at all. The market value of our Structured Products will fluctuate depending on factors such as the value of the relevant embedded derivatives, market interest rate movements, our financial conditions, our creditworthiness, the Structured Products’ time remaining to maturity, and financial results of our operations.

- **Limited market making arrangement**

Our Structured Products are designed to be held till maturity. However, if you try to sell our Structured Products you hold before the maturity date, we will provide daily market making arrangement within the time period as specified in the indicative term sheet for you to sell back the Structured Products, but the price that you receive may be less than or substantially less than the original amount you invested.

We may not be able to provide market making arrangements on a market making day if the relevant Structured Products are affected by market disruption events (for example, the suspension of trading in the linked asset). You should refer to the relevant product booklet for details on the relevant market making arrangements.

- **Issuer’s hedging arrangements**

We or any affiliated entity of us may enter into hedging transactions with counterparties in the market in order to enable us to receive the settlement amount or linked assets (as the case may be) due to you under our Structured Products. Relevant costs shall be incurred for such hedging transactions and such costs will be subsumed in the issue price for the relevant Structured Products. However, if the counterparties default or fail to fulfil their obligations under the hedging transactions, we will bear such default risk and we will keep the same terms and payment structures of our Structured Products.

- **The potential gain or loss is affected by distributors’ charges**

The total potential gain on our Structured Products will be reduced, or the total potential loss on our Structured Products will be increased, by the amount of any handling fee or other charges you have to pay your distributor when you make your application and any fees to open and maintain your securities or investment account.

- **Exchange rate risks**

You should note that there may be an exchange rate risk in respect of our Structured Products where the settlement is converted from one currency into another. Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent market value of our Structured Products. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies. You should therefore be prepared to lose some of the value of your investment due to such fluctuations in exchange rates.

A series of Structured Products may be issued and settled in one currency, whereas the linked asset is quoted (as the case maybe) in a different currency. If specified in the relevant term sheet, we may convert one currency into another at the exchange rate determined in accordance with the relevant term sheet, in which case, you would bear the risk of exchange rate fluctuation during the investment period.

In addition, a series of Structured Products may be issued and settled in a currency other than your home currency. If you convert payments made on the Structured Products back to your home currency, the amount you receive will be determined by reference to the exchange rate between the currency in which the Structured Products are denominated and your home currency.

- **The potential gain or loss is affected by tax**

Your potential gain on our Structured Products will be reduced or your potential loss on our Structured Product will be increased by any tax payable in respect of your investment in our Structured Products. Accordingly, you should consider the tax consequences of investing in our Structured Products and consult your tax adviser about your own tax situation. See section headed “TAXATION” in this information memorandum.

- **Certain considerations regarding hedging**

If you intend to purchase our Structured Products to hedge against the market risk associated with investing in, or otherwise having an exposure to, any linked assets, you should recognise the risks of utilising our Structured Products in this manner. There is no assurance that the market value of our Structured Products will directly correlate with movements of the price/level of relevant linked assets. Therefore, it is possible that you could suffer substantial losses in our Structured Products notwithstanding any losses suffered with respect to investments in or exposures to any linked assets.

- **Your ability to transfer your interest in the Structured Products or to take action in respect of your interest may be affected by the lack of individual definitive certificates**

Each series of our Structured Products will be represented by a global certificate and no individual definitive certificate will be issued to you with respect to your holding of our Structured Products. Your ability to transfer your interest in the Structured Products to any person who is not an accountholder at Euroclear or Clearstream, Luxembourg (as applicable) or an Issuer Account Holder, or otherwise to take action in respect of your interest, may be affected by the lack of any individual definitive certificates in respect of the Structured Products.

- **You may not have direct enforcement rights**

If our Structured Products are held either (i) through the clearing system or (ii) outside the clearing system through a distributor other than us, your distributor (or its custodian(s)) will be given direct contractual rights of enforcement against us as the Issuer under the Deed of Covenant. In which case, in the event of a default in payment or delivery on the Structured Products on our part, you will have to rely on your distributor (either directly or, where applicable, through its custodian(s)) to take action against us as the Issuer on your behalf. Accordingly, if your distributor fails to enforce any rights against us as the Issuer on your behalf, or if your distributor becomes insolvent or defaults on its obligations, you will not have any direct contractual rights against your distributor's custodian(s) (if applicable) and us as the Issuer but you will need to take action directly against your distributor in accordance with the terms of arrangement between you and the distributor to establish your interest in our Structured Products before you could assert your right of claim against your distributor's custodian(s) (if applicable) and us as the Issuer. You may experience difficulties in taking such legal proceedings. This is a complicated area of law and you should seek independent advice for further information.

Risks associated with us as the Issuer

- **You rely on our creditworthiness**

Our Structured Products constitute general unsecured and unsubordinated contractual obligations of us as the Issuer. When you buy our Structured Products, you will be relying on the creditworthiness of Hang Seng Bank Limited as the Issuer and of no other person. You have no rights under the terms of our Structured Products against any issuer(s) of the linked asset(s). **Regardless of whether our Structured Products are partially capital protected at maturity or not capital protected, if we become insolvent or default on our obligations under our Structured Products, in the worst case scenario, you could lose all of your investment.**

- **Conflicts of interest**

You should note that potential or actual conflicts of interest may arise from the different roles played by us and our subsidiaries and affiliates in connection with our Structured Products and our economic interests in each role may be adverse to your interests in our Structured Products. We have policies and procedures to minimise and manage such conflicts and we have regulatorily required information barrier between our different divisions or units to comply with applicable laws and regulations, in any case, such transactions or dealings will be transacted at arm's length.

- **Regulatory action(s) by resolution authorities under the Financial Institutions (Resolution) Ordinance in the event that the Issuer is failing could adversely affect the market value or potential payout of our Structured Products**

The Financial Institutions (Resolution) Ordinance (Cap. 628, the Laws of Hong Kong) (“**FIRO**”) was enacted by the Legislative Council of Hong Kong in June 2016. The FIRO (except Part 8, section 192 and Division 10 of Part 15 thereof) came into operation in July 2017.

The FIRO provides a regime for the orderly resolution of financial institutions with a view to avoiding or mitigating the risks otherwise posed by their non-viability to the stability and effective working of the financial system of Hong Kong, including the continued performance of critical financial functions. The FIRO seeks to provide the relevant resolution authorities with a range of powers to bring about timely and orderly resolution in order to stabilise and secure continuity for a failing authorised institution in Hong Kong.

In particular, it is envisaged that subject to certain safeguards, the relevant resolution authority would be provided with powers to affect contractual and property rights as well as payments (including in respect of any priority of payment) that creditors would receive in resolution, including but not limited to powers to write off, or convert into equity, all or a part of the liabilities of the failing financial institution.

As an authorised institution incorporated in Hong Kong, the Issuer is subject to and bound by the FIRO. The exercise of any resolution power by the relevant resolution authority under the FIRO in respect of us may have a material adverse effect on the market value or potential payout of our Structured Products. **In the worst case scenario, you could lose all of your investment.**

Risks associated with the distributor or its custodian, the relevant nominee of Euroclear and/or Clearstream, Luxembourg or our nominee

- **You rely on the creditworthiness of your distributor or its custodian(s), the relevant nominee of Euroclear and/or Clearstream, Luxembourg or our nominee**

If our Structured Products are held either (i) through the clearing system or (ii) outside the clearing system through a distributor other than us, you will have to rely on your distributor (or, where applicable, your distributor's custodian(s)) to:

- (i) distribute notices to you which it receives through the nominee of Euroclear and/or Clearstream, Luxembourg or from our nominee or to send any notice under the relevant terms and conditions to us. Please see the section headed "SETTLEMENT, CLEARANCE AND CUSTODY" for further details; and
- (ii) credit your account with payments made by or on behalf of us as the Issuer or, where applicable, transfer the relevant linked assets to you on behalf of us as the Issuer. As a result of having to rely on your distributor (or, where applicable, your distributor's custodian(s)) in these circumstances, you will be exposed to the credit risks and other default risks of your distributor (or, where applicable, your distributor's custodian(s)). You will also be exposed to the credit risks and other default risks of the relevant nominee of Euroclear and/or Clearstream, Luxembourg if the Structured Products are held through the clearing system or exposed to the credit risks and other default risks of our nominee if the Structured Products are held outside the clearing system.

There is no assurance of protection against a default by your distributor or, where applicable, its custodian(s), in respect of their obligations under the terms of the relevant account keeping or custodian agreement. Upon the insolvency or default of your distributor, you will have a right to claim against such distributor. If your distributor's custodian becomes insolvent or defaults on its obligations, you will have no contractual rights against such custodian and will have to rely on your distributor to take action against such custodian. **In the worst case scenario, you could lose all of your investment.**

Other risks

- **Concentration risk**

If your investment in our Structured Products amounts to a significant proportion of your entire portfolio of financial assets, or if the significant proportion of your portfolio financial assets is exposed against the same linked asset or us as the Issuer (by investing in our Structured Products or otherwise), the risk and return of your portfolio will be significantly affected by the risk and return of our Structured Products and the risks associated with the linked assets and us as the Issuer.

You should consider the risk of any investment in our Structured Products relative to that of your entire portfolio of financial assets and ensure that there is no undue risk of concentration.

- **Adverse changes in the international financial and credit markets**

There may be adverse changes in the international financial and credit markets which might not have been foreseen at the time of issue of the offering documents and our Structured Products. Such risks include, but are not limited to: (i) the possibility that the market value of the linked assets of the relevant Structured Product might have deteriorated and/or may deteriorate (and in some cases, significantly) from their initial value; and (ii) the possibility that we cannot perform our obligations under the terms and conditions of our Structured Product may have increased significantly. These additional risks may, in turn, adversely affect the value and/or performance of our Structured Products and/or even result in significant or total loss to the investors in the relevant Structured Products.

Adverse changes in our financial condition and/or in general political, social and/or economic conditions and/or legal or regulatory position may also impair or significantly adversely affect our ability to meet our payment obligations under our Structured Products. If we become insolvent or default on our obligations with respect to our Structured Products, there can be no assurance as to the amount that can be recovered or as to the timing of any recovery.

- **Combined effect of various risk factors**

Two or more risk factors may simultaneously have an effect on the value and/or performance of our Structured Products such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value and/or performance of our Structured Products.

HOW TO BUY OUR STRUCTURED PRODUCTS

Our Structured Products are available from the distributors (which may include us, acting as a distributor) specified in the indicative term sheet of a series. The names and contact details of the relevant distributors are specified in the indicative term sheet for a series. You can contact the relevant distributors to obtain a list of their branches where you can place your order for our Structured Products. Where applicable, the offer period is the period during which our Structured Products can be purchased from a distributor. We may choose to close the offer period (if applicable) for any series of Structured Products at any time without prior notice. Please refer to the relevant product booklet and ask your distributor for explanation as to whether the offer period is applicable to the relevant series of Structured Products and the detailed arrangements in relation to such offer period.

Do I need an application form?

No: we will not issue an application form for our Structured Products.

Do I have to make any confirmation? When do I have to pay the issue price for the relevant Structured Products?

The distributor with which you place your order will ask you to fill in their order form and to make a series of confirmations and acknowledgement. Please contact your distributor for details regarding the confirmations and acknowledgement and ask your distributor how and when you have to pay the issue price for the relevant Structured Products.

What is the relationship between you and your distributor?

Where we act as your distributor, we will sell the relevant Structured Products to you as a principal. Alternatively, the distributors (other than the Issuer) may purchase the Structured Products from us as principal and on sell such Structured Products to you as principal. In such case, if your distributor fails to deliver such Structured Products to you for any reason in accordance with agreement between you and your distributor, you will have to take action against your distributor.

In addition, the distributors (other than the Issuer) may purchase the Structured Products from us acting as your agent. In this case, if your distributor does not receive such Structured Products from us because we fail to issue and deliver such Structured Products to your distributor, you will have to take action against us directly in respect of our obligation to issue and deliver such Structured Products to your distributor.

Your relationship with your distributor is governed by the customer agreement you sign with the relevant distributor and is not controlled by us as the Issuer or by anything in this information memorandum, any product booklet or the indicative term sheet. Ask your distributor to clarify if you are concerned about this.

Who can assist me during the purchase process?

Your distributor should be able to explain to you how our Structured Products work and to answer your questions.

Can our Structured Products be sold in any other way?

No, our Structured Products will be sold through the relevant distributors only.

Information memorandum is to be read with the financial disclosure document, the relevant product booklet and the indicative term sheet; descriptions of the Programme and our Structured Products in this information memorandum are summaries only.

The descriptions of the Programme and the general features of our Structured Products included in this information memorandum are summaries only. The relevant product booklet will set out the general terms and conditions for a type of Structured Product. The indicative term sheet sets out the specific terms and conditions applicable to the relevant series of Structured Products. Accordingly, before you decide whether to invest in our Structured Products, you should read this information memorandum together with the financial disclosure document, the relevant product booklet, any addendum to any of these documents, and the relevant indicative term sheet.

INFORMATION RELATING TO HANG SENG BANK LIMITED

Founded in 1933, Hang Seng Bank Limited is one of Hong Kong's largest listed companies. Our market capitalisation as at 31 December 2023 was HK\$174.1 billion.

Widely recognised as the leading domestic bank in Hong Kong, we are currently serving more than 3.9 million customers through a vast network of over 260 service outlets.

Our wholly owned subsidiary, Hang Seng Bank (China) Limited, operates a strategic network of outlets in almost 20 major cities in mainland China to serve a growing base of mainland customers locally and those with cross-boundary banking needs. We also operate branches in Macau and Singapore, and a representative office in Taipei.

Hang Seng Bank Limited is a principal member of the HSBC Group, one of the world's largest banking and financial services organisations.

As a company with its listing on The Stock Exchange of Hong Kong Limited, Hang Seng Bank Limited is required to make periodic and/or continuous disclosure under the relevant listing rules of this stock exchange. Up-to-date information, including financial information and/or any major development on Hang Seng Bank Limited including publications requested by The Stock Exchange of Hong Kong Limited may be viewed from www.hkexnews.hk.

Up-to-date information, including our financial information and/or any of our major development may be viewed from www.hangseng.com by following the link headed "About Hang Seng".

Directors and secretary

The directors of Hang Seng Bank Limited, together with their principal occupations performed by them and their respective addresses for service of process, are set out below. Occupations shown in bold are performed within Hang Seng Bank Limited.

Name	Usual business/ residential address	Occupation
Ms LEE Yun Lien, Irene [#]	Level 50, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Chairman, Hang Seng Bank Limited Executive Chairman, Hysan Development Company Limited
Ms CESAR, Diana Ferreira, JP	83 Des Voeux Road Central, Hong Kong	Executive Director and Chief Executive, Hang Seng Bank Limited
Ms CHUNG, Cordelia [#]	Suites 1706-07, Wing On House, 71 Des Voeux Road Central, Hong Kong	Independent Non-executive Director, Arup Group Limited
Ms GAN Chieh Huey, Kathleen [*]	Level 39, 1 Queen's Road Central, Hong Kong	Head of Finance, Global Businesses, DBS and Functions, HSBC Holdings plc

Name	Usual business/ residential address	Occupation
Mr KWOK King Man, Clement [#]	8/F, St. George's Building, 2 Ice House Street, Central, Hong Kong	Managing Director and Chief Executive Officer, The Hongkong and Shanghai Hotels, Limited
Ms LAM Sze Wan, Patricia [#]	83 Des Voeux Road Central, Hong Kong	Co-Founder and Partner, Patti Wong & Associates Limited
Mr LIAO Yi Chien, David [*]	Level 34, 1 Queen's Road Central, Hong Kong	Executive Director and Co-Chief Executive Officer, The Hong Kong and Shanghai Banking Corporation Limited
Ms LIN Huey Ru [#]	83 Des Voeux Road Central, Hong Kong	Independent Non-executive Director, Hang Seng Bank Limited
Ms SAW Say Pin	83 Des Voeux Road Central, Hong Kong	Executive Director and Chief Financial Officer, Hang Seng Bank Limited
Ms WANG Xiao Bin [#]	83 Des Voeux Road Central, Hong Kong	Independent Non-executive Director, Hang Seng Bank Limited

* Non-executive Director of Hang Seng Bank Limited

Independent Non-executive Director of Hang Seng Bank Limited

Our Company Secretary is Ms Cheung Ka Ki, whose business address is 83 Des Voeux Road Central, Hong Kong.

Capitalisation

The following shows the issued and fully paid-up share capital of Hang Seng Bank Limited as at 31 December 2023. For further information, please also refer to the financial statements in the financial disclosure document.

Share capital

The issued and fully paid-up share capital of Hang Seng Bank Limited as at 31 December 2023 is HK\$9,657,507,180 comprising 1,911,842,736 shares.

SETTLEMENT, CLEARANCE AND CUSTODY

Our Structured Products may be held either (i) through Euroclear and/or Clearstream, Luxembourg (which are two large international clearing systems for securities), or (ii) outside the clearing system. We have sole discretion to decide whether our Structured Products are to be held through Euroclear and/or Clearstream, Luxembourg or are to be held outside the clearing system, and will specify this in the relevant term sheet for the relevant series of Structured Products.

Custodial and depositary links have been established either (i) with Euroclear and/or Clearstream, Luxembourg; or (ii) internally, to facilitate the initial issue of our Structured Products and cross-market transfers of our Structured Products associated with secondary market trading.

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Beneficial ownership in the relevant Structured Products deposited with Euroclear and/or Clearstream, Luxembourg will be held through financial institutions, such as the distributors, as direct and indirect participants in Euroclear and/or Clearstream, Luxembourg. Euroclear or Clearstream, Luxembourg, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the global certificates will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interests in the relevant Structured Products.

We will hold securities for persons or distributors who are Issuer Account Holders and will facilitate the clearance and settlement of securities transactions between respective Issuer Account Holders through electronic book-entry changes in accounts of such Issuer Account Holders. Issuer Account Holders may be individuals, distributors or other intermediaries. Beneficial ownership in the relevant Structured Products will be held directly by an Issuer Account Holder. If a distributor is an Issuer Account Holder, that distributor will be responsible for maintaining and establishing accounts for customers having interests in the account held by the distributor with us.

We will not impose any fees in respect of any trading in the relevant Structured Products other than fees which may be imposed by us in our capacity as a distributor as referred to below. However, holders of book-entry interests in the global certificates may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and/or Clearstream, Luxembourg. The distributors, including the case where we also act as the distributor, may also charge investors a fee for providing such custodian and other services, as further described under “Custody Arrangements” below.

You should note that you are required to bear all the fees and charges for custodial, transfer and clearing services charged by Euroclear and/or Clearstream, Luxembourg and/or the distributor, including the case where we also act as distributor, for the holding, transfer or exercise of our Structured Products. You should contact the distributors for further details of these fees and charges.

Selling our Structured Products through a clearing system: trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market sales of book-entry interests in the global certificates which are deposited with Euroclear and/or Clearstream, Luxembourg will be conducted in accordance with the operating procedures of Euroclear or Clearstream, Luxembourg, as the case may be. None of Euroclear or Clearstream, Luxembourg is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the distributor, the Arranger or the agent will have any responsibility for the performance by Euroclear, Clearstream, Luxembourg or their respective direct or indirect participants or accountholders of their respective obligations under the procedures governing their operations. The performance by Euroclear, Clearstream, Luxembourg or their respective direct or indirect participants or accountholders of their respective obligations under the procedures governing their operations will not affect the market making arrangements arranged by us as the market agent or any post-sale cooling off arrangements.

Selling our Structured Products through the Issuer: trading between Issuer Account Holders

Secondary market sales of book-entry interests in the global certificates which are deposited with us and registered in the name of our nominee will be conducted in accordance with our operating procedures, and such procedures may be discontinued or amended at any time. None of the distributors (except where we also act as a distributor) will have any responsibility for the performance by us of our obligations under such procedures. We will not have any responsibility for the performance by the distributors (except where we also act as a distributor) of their obligations under the procedures governing their operations. The performance by us and by the distributors of the obligations under such procedures will not affect the market making arrangements arranged by the market agent or any post-sale cooling off arrangements.

You should be aware that, in respect of any series of Structured Products which is held outside the clearing system, the transfer of any of your interest in the relevant Structured Products or acquisition of such interest can only be effected directly by or indirectly through an Issuer Account Holder. Prospective transferees should contact us, as distributor, or any other distributor in order to make arrangements to establish direct or indirect access to an account with us as the Issuer.

Custody arrangements

Because the global certificates will be registered either in the name of a common nominee on behalf of Euroclear and/or Clearstream, Luxembourg or our nominee, and further because settlement and clearance facilities will be provided by either us or Euroclear or Clearstream, Luxembourg, you must make arrangements for your Structured Products to be held in custody with an accountholder (or indirect accountholder) of Euroclear and/or Clearstream, Luxembourg or investors must be either Issuer Account Holders or make arrangements with a distributor who is an Issuer Account Holder (as applicable). On issue, our Structured Products will be available from one or more of the distributors. In order to apply for our Structured Products you must have, or open, a cash account and an investment account with the distributor (including the case where we also act as a distributor) to which you give your application instructions (as applicable). In the case of the Structured Products which are deposited with Euroclear and/or Clearstream, Luxembourg, each distributor will be an accountholder (or indirect accountholder) of Euroclear and/or Clearstream, Luxembourg. The relevant distributors will charge a fee for the opening and operation of an investment account. Most banks and securities dealers in Hong Kong maintain, or have access to, an account with Euroclear and/or Clearstream, Luxembourg through which the Structured Products may be held following issue. A list of distributors in Hong Kong who are Issuer Account Holders in respect of a series of Structured Products held outside the clearing system can be obtained free of charge from us on request, and such list of distributors will be stated in the indicative term sheet.

It is possible that there may only be one distributor for a series of Structured Products who will act as the initial accountholder of either Euroclear or Clearstream, Luxembourg or us for the investors of such series of Structured Products. Should you wish to transfer your holding to another accountholder subsequently, there may be costs and administrative delays associated with such a transfer. When a cash account and an investment account are opened with the new intermediary, the same considerations set out in the section headed “Form of our Structured Products and custody arrangements with distributors” will apply.

You may also need to bear any expenses charged by the relevant clearing system, by us as the Issuer or the Issuer Account Holder (as applicable) in connection with the change of accountholder. Investment account and other custodian arrangements with respect to our Structured Products will be supplied by the distributors (or other custody provider) subject to their standard terms and conditions for the provision of such services. Except where such party is also a distributor, none of us, or the relevant Arranger accepts any responsibility for the provision of such services or for any consequences of, or arising from, the use of such investment account or custody services.

Making payments and/or deliveries and sending notices to you where our Structured Products are held through a clearing system

If a series of our Structured Products is held through a clearing system, we will make all payments on our Structured Products to Euroclear and/or Clearstream, Luxembourg. You will have to rely (i) on the relevant clearing systems to credit the account of your distributor (or, where applicable, your distributor's custodian(s)) with the payment and (ii) on your distributor (or, where applicable, your distributor's custodian(s)) to ensure that payment on your Structured Products is credited through to your account with your distributor by the relevant time. We have no control over, or knowledge of, the terms of the custody arrangements through which you as an investor hold our Structured Products.

If the linked asset is deliverable upon maturity, such linked asset will be delivered to the holder of our Structured Products, who will instruct the relevant clearance system (as specified in the relevant product booklet) to deliver the same to the account of your distributor (or, where applicable, your distributor's custodian(s)) by way of electronic settlement through the relevant clearance system. You will have to rely (i) on the relevant clearance system to credit the account of your distributor (or, where applicable, your distributor's custodian(s)) with the amount of linked asset due under our Structured Products and (ii) on your distributor (or, where applicable, your distributor's custodian(s)) to ensure that the linked asset is credited through to your account with the distributor.

We will arrange for a notice to be sent to Euroclear and/or Clearstream, Luxembourg and you will have to rely (i) on the relevant clearing systems to forward the notice to your distributor (or, where applicable, your distributor's custodian(s)) as the account holder and (ii) on your distributor (or, where applicable, your distributor's custodian(s)) to ensure that the notice is forwarded to you.

Making payments and/or deliveries and sending notices to you where our Structured Products are held outside a clearing system and you invest through us as your distributor

If a series of our Structured Products is held outside the clearing system and you invest through us as your distributor, we will make payments and deliver notices under the terms of the Structured Products directly to you. If the linked asset is deliverable upon maturity, such linked asset will be credited through to your account with us directly.

Making payments and/or deliveries and sending notices to you where our Structured Products are held outside a clearing system and you invest through a distributor other than us

If a series of our Structured Products is held outside the clearing system and you invest through a distributor other than us, we will make all payments on our Structured Products to the nominee of us and such nominee will forward such payments to your distributor by the relevant time. You will have to rely on your distributor to credit the accounts of yours with the payment. We have no control over, or knowledge of, the terms of the custody arrangements through which you as an investor hold our Structured Products.

If the linked asset is deliverable upon maturity, such linked asset will be delivered to the holder of our Structured Products, who will instruct the relevant clearance system (as specified in the relevant product booklet) to deliver the same to the account of your distributor by way of electronic settlement through the relevant clearance system. You will have to rely (i) on the relevant clearance system to credit the account of your distributor with the amount of linked asset due under our Structured Products and (ii) on your distributor to ensure that the linked asset is credited through to your account with the distributor.

We will arrange for a notice to be sent to the nominee of us and such nominee will forward such notice to your distributor. You will have to rely on your distributor to ensure that the notice is forwarded to you.

TAXATION

This summary is based on the relevant tax laws in Hong Kong and the United States in force as at the date of this information memorandum and is subject to any changes in law occurring after such date. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of our Structured Products. The summary is not complete and we are not giving you any tax advice. You should consult your own tax adviser about the tax consequences of investing in our Structured Products, particularly if you are subject to special tax rules.

HONG KONG TAXATION

Withholding tax

We are not required under current law to make any withholding on account of Hong Kong tax from any payments in respect of our Structured Products.

Capital gains tax

No capital gains tax is payable in Hong Kong on any capital gains arising from transfer or sale of our Structured Products.

Profit tax

No profit tax is payable in respect of dividends of any company or distributions of any fund or in respect of any gains arising from the sale of the reference asset(s) or our Structured Products, except that profit tax may be chargeable on any such gains where the sale or disposal is or forms part of a trade, profession or business carried on in Hong Kong.

Stamp duty

Our Structured Products are not expected to be subject to Hong Kong stamp duty or bearer instrument duty either when issued or on any subsequent transfer. If there is stamp duty payable on a series of Structured Products, we will specify that in the relevant product booklet or the relevant term sheet.

However, if pursuant to the terms of a Structured Product, there is any transfer of “Hong Kong stock” as defined in the Stamp Duty Ordinance (Cap. 117) of the Laws of Hong Kong, stamp duty (if applicable, subject to prevailing laws and regulations) will be payable at the rate specified in the Stamp Duty Ordinance (being 0.2% as at the date of this information memorandum) by reference to the amount of the consideration or the value for the sale and purchase of such “Hong Kong stock”, whichever is higher. Unless a product booklet or term sheet specifies otherwise, you will be required to pay the transferee’s stamp duty (as at the date of this information memorandum being 0.1% of the amount of the consideration or its value) arising from any transfer of such “Hong Kong stock”. Please see the relevant product booklet or the relevant term sheet for further details.

U.S. TAXATION

FATCA Withholding Tax for Non-U.S. Investors

Under the United States legislation commonly known as the Foreign Account Tax Compliance Act (“**FATCA**”) and official guidance issued thereunder, we may be required to withhold moneys on account of U.S. federal tax on all, or a portion of:

- (a) any payments made in respect of the Structured Products that constitute “dividend equivalents” (as further described in the relevant product booklets) for U.S. federal income tax purposes (such payments, “**U.S. Source Payments**”) — under the applicable U.S. federal income tax rules, payments made under the Structured Products that are linked to the value of, or dividends on, stock issued by an entity that is treated as a U.S. corporation (or by any other entity the dividends of which would be U.S. source), unless otherwise constitute “dividend equivalents”, will not be treated as U.S. Source Payments because the payments will be made by us, being a non-U.S. entity; or
- (b) any “foreign passthru payments” (regardless of whether such payments have any connection to a U.S. Source Payment) made after 31 December 2018 in respect of the Structured Products, subject to the exceptions described below.

Subject to the discussion below regarding the withholding on gross proceeds under the Proposed Regulations (as defined below), FATCA withholding tax can affect both coupon or periodic payments and “gross proceeds” (including any settlement payment).

Based on the provisions of FATCA, current regulations under FATCA and other related official guidance issued by the U.S. Internal Revenue Service, payments made with respect to a Structured Product that are not U.S. Source Payments will not be subject to FATCA withholding tax if such Structured Product is issued on or before (and is not materially modified after) the Grandfather Date (as defined below). For these purposes, the “**Grandfather Date**” is the date that is six months after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register. As of the date of this Information Memorandum, no final regulation defining the term “foreign passthru payment” has been filed with the U.S. Federal Register.

Recently issued proposed regulations (the “**Proposed Regulations**”) would eliminate FATCA withholding tax on “gross proceeds” and delay the withholding on “foreign passthru payments” until the date that is two years after the date of publication in the Federal Register of final regulations defining the term “foreign passthru payment” (the “**Delayed Withholding Effective Date**”). As of the date of this Information Memorandum, no such final regulation has been published in the U.S. Federal Register. Taxpayers generally may rely on the Proposed Regulations until the final regulations are issued. There is no assurance, however, that the final regulations, once issued, will not reinstate this withholding obligation (or otherwise modify the Proposed Regulations), possibly with retroactive effect.

We will neither offer nor issue any Structured Product providing for payments that are U.S. Source Payments. Additionally, any Structured Product offered or issued by us either will be issued on or before (and will not be materially modified after) the Grandfather Date or will not provide for any payments on or after the Delayed Withholding Effective Date. Therefore, on the basis of the current regulations, the Proposed Regulations, official guidance and the above analysis, payments made with respect to the Structured Products will not be subject to FATCA withholding tax.

The FATCA provisions are particularly complex, and their application is uncertain at this time. You should consult your own tax adviser as to the application of FATCA to the Structured Products, including the possibility of meeting certain documentation requirements to be exempt from FATCA withholding tax.

The above summary only applies to you if you are a non-U.S. investor. You are a non-U.S. investor unless you are: (1) an individual citizen or resident of the United States, (2) a corporation that is formed or organized under the laws of the United States, any state thereof or the District of Columbia, or any entity that is taxable as a corporation so formed or organized, (3) an estate that is subject to U.S. federal income taxation regardless of its source, or (4) a trust that is subject to the jurisdiction of a U.S. court and for which one or more “United States persons” (as defined in the U.S. Internal Revenue Code) control all of the substantial decisions, or has otherwise made an appropriate election under the U.S. Treasury regulations. If you are an investor treated as a partnership for U.S. federal income tax purposes, FATCA withholding tax may apply to you and your beneficial owners based on your and your beneficial owners’ activities and status and you should consult your own tax adviser regarding any FATCA withholding tax consideration arising from your investment in the Structured Products.

OTHER INFORMATION ABOUT OUR PROGRAMME

We take responsibility for this information memorandum

We (as the Issuer and the Product Arranger) accept full responsibility for the contents of, and the completeness and accuracy of the information contained in this information memorandum, and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there is no untrue and misleading statement, or other facts the omission of which would make any statement herein untrue or misleading.

Information included on any websites referred to in this information memorandum does not form part of this information memorandum.

None of the Arrangers (except for Hang Seng Bank Limited) nor the distributors which are involved in the distribution of our Structured Products is responsible in any way to ensure the accuracy of any offering document.

We will update this information memorandum whenever we offer our Structured Products, if necessary

This information memorandum is accurate as at the date of this information memorandum. You must not assume, however, that information in this information memorandum is accurate at any time after the date of this information memorandum. If the information in this information memorandum needs to be updated at the time we issue a series of Structured Products, we will either put the updated information in the relevant product booklet or indicative term sheet or, if we prefer, we may put it into an addendum to this information memorandum. In addition, if the latest audited consolidated financial statements or unaudited condensed consolidated financial statements (if any) are published, we will include such financial information in the updated financial disclosure document.

If an updated financial disclosure document and/or an addendum to the information memorandum, the financial disclosure document and/or the relevant product booklet is published during the offer period (if applicable) for a series of Structured Products, we will, as soon as practicable, notify the distributors who will in turn notify those investors who have placed an order for that series of Structured Products. Those investors will be given an opportunity to cancel their purchase order within a limited period of time as notified to them by their distributors. You will not be required to pay any fees for such cancellation.

The indicative term sheet will tell you whenever an addendum to this information memorandum, the relevant product booklet and/or the financial disclosure document has been published. Your distributor will notify you if an addendum is published after your order is made. Whenever an addendum is published, you should read this information memorandum, the relevant product booklet, the financial disclosure document and the indicative term sheet as including the addendum, starting from the date of the addendum, wherever we refer to such offering documents. If you have any question regarding your investment in our Structured Product or if you have any doubt as to whether you can cancel your order for our Structured Products, please discuss with your distributor.

Where you can read copies of our legal documentation for our Programme

This information memorandum contains a description of our Programme, the corporate information of Hang Seng Bank Limited, and the general risks of buying our Structured Products. To find out more, you can read copies of the documents set out below free of charge by going to the offices of the Arrangers at 83 Des Voeux Road Central, Hong Kong. These offices are open only during normal business hours and not on Saturdays, Sundays or public holidays.

We will display copies of the following documents for public inspection during an offer period (if applicable) for a series of our Structured Products and while any of our Structured Products remains outstanding (unless otherwise specified, the document is only available in English):

- our memorandum and articles of association;
- this information memorandum and any updating addendum (both English and Chinese languages versions in one document);

- the financial disclosure document and any updating addendum (both English and Chinese languages versions in one document);
- the relevant product booklet and any updating addendum (both English and Chinese languages versions in one document);
- the indicative term sheet (and when available, the final term sheet) in respect of any series of Structured Products (both English and Chinese languages versions in one document);
- certified true copy of the Agency Agreement;
- certified true copy of the Deed of Covenant;
- certified true copies of the global certificate of the relevant series of Structured Products;
- our most recently published audited consolidated financial statements including the auditor's report as set out therein and unaudited condensed consolidated financial statements, including the review report as set out therein (both English and Chinese language versions);
- certified true copy of a letter from our auditors consenting to the inclusion of their report(s) in the financial disclosure document; and
- any notices given by us under the conditions of our Structured Products (both English and Chinese languages versions).

A reasonable fee will be charged if you want to take photocopies of any of the documents whilst they are on display.

Ongoing disclosure

We (as the Issuer and the Product Arranger) will give notice to the SFC and to the distributors as soon as reasonably practicable if (a) we (as the Issuer) cease to meet any eligibility requirements applicable to issuers under the Code; (b) we (as the Product Arranger) cease to meet any eligibility requirements applicable to product arrangers under the Code; and (c) to the extent permitted by any applicable law, there are any changes in our financial condition or other circumstances which could reasonably be expected to have a material adverse effect on our ability (as the Issuer) to fulfil our commitments in connection with our Structured Products. Your distributor will forward such information to you by notice as soon as possible.

The offering documents are not prospectuses

This information memorandum, any product booklet, any financial disclosure document, any updating addendum to any of such documents, and any indicative term sheet do not constitute a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong).

**REGISTERED OFFICE
OF THE ISSUER AND PRODUCT ARRANGER**

Hang Seng Bank Limited
83 Des Voeux Road Central
Hong Kong

ARRANGERS

Hang Seng Bank Limited
Hang Seng Investment Management Limited
Hang Seng Securities Limited
83 Des Voeux Road Central
Hong Kong

SPECIFIED OFFICE OF THE AGENT

Hang Seng Bank Limited
83 Des Voeux Road Central
Hong Kong

REGISTRAR AND TRANSFER OFFICE

Hang Seng Bank Limited, Singapore Branch
9 Battery Road, #07-01
MYP Centre
Singapore 049910

LEGAL ADVISER

To the Issuer as to Hong Kong law

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13th Floor
Gloucester Tower
The Landmark
15 Queen's Road Central
Central
Hong Kong