

Notes issued pursuant to these Final Terms are securities to be listed under Listing Rule 19

## **FINAL TERMS**

Final Terms dated 06 June 2011

Series No.: NWP18651

Tranche No.: 1

### **HSBC Bank plc**

#### **Programme for the Issuance of Notes and Warrants**

#### **Issue of USD 1,000,000 Fixed Rate Automatic and Partial Early Redemption Equity-Linked Notes due June 2014 linked to a Basket of Securities**

### **PART A - CONTRACTUAL TERMS**

This document constitutes the Final Terms relating to the issue of the Tranche of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 27 July 2010 in relation to the above Programme and the supplemental Prospectuses dated 4 August 2010, 23 August 2010, 1 October 2010, 30 December, 11 January 2011, 4 March 2011 and 16 May 2011 which together constitute a base prospectus ("**Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus and the supplemental Prospectuses are available for viewing at *HSBC Bank plc, 8 Canada Square, London E14 5HQ* and copies may be obtained from *HSBC Bank plc, 8 Canada Square, London E14 5HQ*.

The Notes described herein have a scheduled maturity date at 09 June 2014, bear interest payable in arrears, on the scheduled interest payment date, at the fixed rate specified herein and are linked to the performance of the basket of Securities defined as the Basket herein as determined by the Calculation Agent (as defined herein). The Notes will be partially redeemed prior to scheduled maturity on a specified date at 80 per cent. of their nominal amount and the price performance of the Securities may result in the redemption of the outstanding Notes prior to scheduled maturity on specified dates at a premium to their nominal amount. The price performance of the Securities will also determine the basis for redemption of the Notes at scheduled maturity. Unless the Notes have been redeemed early, if the final performance of the Worst Performing Security (as defined herein) is greater than or equal to 100 per cent, the Notes will be redeemed at scheduled maturity at 115 per cent. of their nominal amount. If the final performance of the Worst Performing Security is less than 100 per cent but a Trigger Event (as defined herein) has not occurred with respect to any of the Securities, the Notes will be redeemed at scheduled maturity at an amount which will not be less than their nominal amount. Otherwise, if the final performance of the Worst Performing Security is less than 100 per cent. and a Trigger Event has occurred with respect to one or more of the Securities, the Notes will be redeemed by payment of an amount in cash less than the nominal amount of the Notes and equal to the product of such nominal amount and the fraction of which the numerator is the Final Price (as defined herein) of the Worst Performing Security and the denominator is the Initial Price (as defined herein) of such Worst Performing Security, determined by the Calculation Agent. The Notes are redeemable prior to scheduled maturity in certain circumstances at an amount determined by the Calculation Agent which may be less than their nominal amount.

**Investing in the Notes involves substantial risks. As a consequence, prospective investors should be aware that the Notes are only intended for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks of an investment in the Notes. In purchasing any Notes, an investor will be deemed to represent that it is such an investor and has such knowledge and experience. Prospective investors should consider the risk factors set forth under "Risk Factors" in the Prospectus and the risks described herein.**

**HSBC**

1.	(i)	Issuer	HSBC Bank plc
	(ii)	Arranger(s):	HSBC Bank plc
2.	(i)	Series number:	NWP18651
	(ii)	Tranche number:	1
	(iii)	Whether issue is of Notes or Certificates:	Notes
3.		Specified Currency or Currencies:	
	(i)	of denomination:	USD
	(ii)	of payment:	USD
4.		Aggregate Principal Amount of Notes admitted to trading:	
	(i)	Series:	USD 1,000,000
	(ii)	Tranche:	USD 1,000,000
5.	(i)	Issue Price:	100 per cent. of the Aggregate Principal Amount
	(ii)	Commission payable:	None
	(iii)	Selling concession:	None
6.	(i)	Denomination(s) ( <i>Condition 1(b)</i> ):	USD 50,000 (the " <b>Denomination<sub>1</sub></b> ") and, after the Partial Early Redemption Date, USD 10,000 (the " <b>Denomination<sub>2</sub></b> ")
	(ii)	Calculation Amount:	The Denomination
7.	(i)	Issue Date:	07 June 2011
	(ii)	Interest Commencement Date:	The Issue Date
8.		Maturity Date: ( <i>Condition 6(a)</i> )	09 June 2014, subject to early redemption on an Automatic Early Redemption Date. See paragraph 43(iii) below
9.		Interest basis: ( <i>Conditions 3 to 5</i> )	Fixed Rate. See paragraph 15
10.		Redemption basis: ( <i>Condition 6</i> )	Equity-Linked Redemption. See paragraphs 24 and 26
11.		Change of interest or redemption basis:	The Notes are subject to early redemption on the Partial Early Redemption Date and any Automatic Early Redemption Date. See paragraphs 26(ii) and 43(iii) below
12.		Put/Call options:	Not applicable

13.	(i)	Status of the Notes: ( <i>Condition 2</i> )	Unsubordinated, unsecured
	(ii)	Date approval for issuance of Notes obtained:	Not applicable
14.		Method of distribution:	Non-syndicated

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

15.		Fixed Rate Note provisions: ( <i>Condition 3</i> )	Applicable
	(i)	Rate of Interest:	Unless the Notes have been previously redeemed, or purchased and cancelled in accordance with the Conditions, the amount of interest payable by the Issuer in respect of each Note on the Fixed Interest Payment Date shall be an amount in the Specified Currency (the " <b>Fixed Coupon Amount</b> ") as determined by the Calculation Agent in accordance with the following formula:  Denomination <sub>1</sub> × 80% × 3.35%
	(ii)	Fixed Interest Payment Date(s):	07 June 2012
	(iii)	Fixed Coupon Amount(s):	See paragraph 15(i) above
	(iv)	Day Count Fraction:	Not applicable
	(v)	Determination Date:	Not applicable
	(vi)	Broken Amount(s):	Not applicable
	(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not applicable
16.		Floating Rate Note provisions: ( <i>Condition 4</i> )	Not applicable
17.		Variable Coupon Amount Note provisions: ( <i>Condition 5</i> )	Not applicable
18.		Zero Coupon Note provisions: ( <i>Condition 5</i> )	Not applicable
19.		Index-Linked Interest Note/other variable-linked interest Note Provisions:	Not applicable
20.		Dual Currency Note provisions/Multi-currency Note provisions:	Not applicable

## PROVISIONS RELATING TO REDEMPTION

21.	Issuer's optional redemption (Call): (Condition 6(c))	Not applicable
22.	Noteholder's optional redemption (Put): (Condition 6(d))	Not applicable
23.	Final Redemption Amount of each Note: (Condition 6(a))	See paragraph 24 below
24.	Final Redemption Amount of each Note in cases where the Final Redemption Amount is Equity- Linked/ Index-Linked or other variable-linked:	Applicable
	(i) Index/Formula/other variable:	The Basket of Securities as defined in paragraph 36(i) below
	(ii) Calculation Agent responsible for calculating the Final Redemption Amount:	HSBC France
	(iii) Provisions for determining Final Redemption Amount where calculated by reference to Equity/Index and/or Formula and/or other variable;	<p>Unless the Notes have been previously redeemed or purchased and cancelled, if the Calculation Agent determines on the Valuation Date that :</p> <p>- <math>WO_{\text{final}}</math> is greater than or equal to 100 per cent., the Issuer shall redeem the outstanding Notes on the Maturity Date by paying an amount in the Specified Currency in respect of each Note determined by the Calculation Agent in accordance with the following formula :</p> <p style="text-align: center;"><math>\text{Denomination}_2 \times 115\%</math>; or</p> <p>- <math>WO_{\text{final}}</math> is lower than 100 per cent. and a Trigger Event has not occurred with respect to any of the Securities, the Issuer shall redeem the outstanding Notes on the Maturity Date by paying an amount in the Specified Currency in respect of each Note determined by the Calculation Agent in accordance with the following formula :</p> <p style="text-align: center;"><math>\text{Denomination}_2 \times (WO_{\text{final}} + 15\%)</math>; or</p> <p>- <math>WO_{\text{final}}</math> is lower than 100 per cent. and a Trigger Event has occurred with respect to one or more of the Securities, the Issuer shall redeem the Notes by paying on the Maturity Date an amount in the Specified Currency in respect of each Note determined by the Calculation Agent in accordance</p>

with the following formula:

$$\text{Denomination}_2 \times \text{WO}_{\text{final}}$$

Where:

"**Trigger Event**" means, in respect of any Security<sub>i</sub>, that the Final Price (as defined in paragraph 36(vii) below) of such Security, as determined by the Calculation Agent, is less than or equal to the Trigger Price.

"**Trigger Price**" means, in respect of each Security, 85 per cent. of the relevant Initial Price (as defined in paragraph 36(v) below).

"**WO<sub>final</sub>**" means, in respect of the Valuation Date, the lowest performance (expressed as a percentage) among the Securities as determined by the Calculation Agent in accordance with the following formula:

$$\text{Min}_{i=1 \text{ to } 3} \left( \frac{S_{\text{Final}}^i}{S_0^i} \right)$$

Where:

"**i**" means each Security in the Basket, 1 to 3.

"**S<sub>Final</sub><sup>i</sup>**" means, in respect of a Security (Security<sub>i</sub>) and the Valuation Date, the Final Price (as defined in paragraph 36(vii) below) of such Security<sub>i</sub>.

"**S<sub>0</sub><sup>i</sup>**" means, in respect of a Security (Security<sub>i</sub>), the Initial Price (as defined in paragraph 36(v) below) of such Security<sub>i</sub>.

For information purposes, if more than one Security has the same percentage, the Calculation Agent shall determine which Security is the Worst Performing Security in its sole and absolute discretion.

"**Worst Performing Security**" means the Security for which the performance is the lowest in accordance with the definition of **WO<sub>final</sub>**.

(iv) Determination Date(s): The Valuation Date

	(v)	Provisions for determining Final Redemption Amount where calculation by reference to Equity/Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	See Condition 21
	(vi)	Payment Date	The Maturity Date
	(vii)	Minimum Final Redemption Amount	Not applicable
	(viii)	Maximum Final Redemption Amount:	115 per cent. of par
25.		Instalment Notes: ( <i>Condition 6(a)</i> )	Not applicable
26.		Early redemption amount:	Yes
	(i)	Early redemption amount (upon redemption for taxation reasons, force majeure or following an Event of Default: ( <i>Conditions 6(b), 6(h) or 10</i> )	With respect to each Note, the amount in the Specified Currency determined by the Calculation Agent in its sole and absolute discretion to be the fair market value of the Note immediately prior to the early redemption date, less any reasonable expenses and costs to the Issuer and/or any affiliate of the Issuer of unwinding any underlying and/or related hedging and/or funding arrangements
	(ii)	Other redemption provisions: ( <i>Condition 6(i)</i> )	Unless the Notes have been previously redeemed, or purchased and cancelled in accordance with the Conditions, the Issuer shall partially early redeem the Notes (the " <b>Partial Early Redemption</b> ") on the Partial Early Redemption Date at an amount in the Specified Currency in respect of each Note determined by the Calculation Agent in accordance with the following formula:  Denomination <sub>1</sub> × 80%  The Notes so redeemed shall not be cancelled pursuant to Condition 6(f).  Where:  " <b>Partial Early Redemption Date</b> " means 07 June 2012

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

27.		Form of Notes: ( <i>Condition 1(a)</i> )	
	(i)	Form of Notes:	Bearer

	(ii) Bearer Notes exchangeable for Registered Notes:	No
28.	New Global Note	No
29.	If issued in bearer form:	
	(i) Initially represented by a Temporary Global Note or Permanent Global Note:	Temporary Global Note
	(ii) Temporary Global Note exchangeable for Permanent Global Note and/or Definitive Notes and/or Registered Notes: ( <i>Condition 1(a)</i> )	Temporary Global Note exchangeable for Permanent Global Note which is exchangeable for Definitive Notes only in the limited circumstances specified in the Permanent Global Note
	(iii) Permanent Global Note exchangeable at the option of the bearer for Definitive Notes and/or Registered Notes:	Not applicable
	(iv) Coupons to be attached to Definitive Notes:	Yes
	(v) Talons for future Coupons to be attached to Definitive Notes:	No
	(vi) (a) Definitive Notes to be security printed:	Yes
	(b) if the answer to (a) is yes, whether steel engraved plates will be used:	Yes
	(vii) Definitive Notes to be in ICMA or successor's format:	Yes
	(viii) Issuer or Noteholder to pay costs of security printing:	Issuer
30.	Exchange Date for exchange of Temporary Global Note:	Not earlier than 40 days following the Issue Date
31.	Payments: ( <i>Condition 8</i> )	
	(i) Method of payment:	Not applicable
	(ii) Relevant Financial Centre Day:	Not applicable
	(iii) Local banking day specified for payments in respect of the Notes in global form:	No

32.	Party Paid Notes: (Condition 1)	No
33.	Redenomination: (Condition 9)	Not applicable
34.	Other final terms:	See Annexes 1 & 2

**PROVISIONS APPLICABLE TO INDEX-LINKED NOTES, CASH EQUITY NOTES, EQUITY-LINKED NOTES**

35.	Security Delivery (for Equity-Linked Notes only):	Condition 21(b) does not apply
36.	Provisions for Cash Equity Notes and Equity-Linked Notes:	Applicable
	(i) Securities:	The Securities comprising the Basket specified in Annex 1
	(ii) Underlying Company(ies):	The entities specified as such in Annex 1
	(iii) Exchange(s):	With respect to each Security, each exchange or quotation system specified as such in respect of such Security in Annex 1
	(iv) Related Exchange(s):	With respect to each Security, each exchange or quotation system specified as such in respect of such Security in Annex 1
	(v) Initial Price:	See Annex 1
	(vi) Strike Date:	31 May 2011
	(vii) Final Price:	As defined in Condition 21(a)
	(viii) Reference Price:	Not applicable
	(ix) Securities Transfer Amount: (for Equity-Linked Notes only)	Not applicable
	(x) Settlement Date: (for Equity-Linked Notes only)	Not applicable
	(xi) Settlement Disruption Event: (for Equity-Linked Notes only)	Condition 21(b)(iii) does not apply
	- Disruption Period (if other than as specified in Condition 21(b)(iii)):	Not applicable
	(xii) Delivery Disruption Event: (for Equity-Linked Notes only)	Condition 21(b)(iv) does not apply



	(xiii) Potential Adjustment Event:	Condition 21(g)(i) applies
	- Extraordinary Dividend (if other than as specified in the definition in Condition 21(a))	Condition 21(a) applies
	- additional Potential Adjustment Event (for purposes of paragraph (viii) of the definition thereof)	Not applicable
	(xiv) Extraordinary Event:	Condition 21(g)(ii) applies
	(xv) Conversion: (for Notes relating to Government Bonds and debt securities only)	Condition 21(g)(iii) does not apply
	(xvi) Correction of prices:	Condition 21(g)(iv) applies
	(xvii) Additional Disruption Event	The following Additional Disruption Events apply: Change in Law, Insolvency Filing, Hedging Disruption, Increased Cost of Hedging
37.	Additional provisions for Equity-Linked Notes:	See Annexes 1 & 2
38.	Provisions for Index-Linked Notes:	Not applicable
39.	For Equity-Linked and Credit-Linked Notes:	US Federal Income Tax Considerations
40.	Valuation Date(s):	02 June 2014, subject to postponement in accordance with Condition 21(e)
41.	Valuation Time:	The definition in Condition 21(a) applies
42.	Averaging Dates:	Not applicable
43.	Other terms or special conditions relating to Index-Linked Notes, Cash Equity Notes or Equity-Linked Notes:	Applicable
	(i) Knock-in Event:	Not applicable
	(ii) Knock-out Event:	Not applicable
	(iii) Automatic Early Redemption:	Condition 21(c) applies
	- Automatic Early Redemption Event:	If $WO_j$ is greater than or equal to the Automatic Early Redemption Level as of any Automatic Early Redemption Valuation Date <sub>j</sub>
		Where:

"WO<sub>j</sub>" means the lowest performance (expressed as a percentage) among the Securities as determined by the Calculation Agent in accordance with the following formula:

$$\text{Min}_{i=1 \text{ to } 3} \left( \frac{S_j^i}{S_0^i} \right)$$

Where:

" S<sub>j</sub><sup>i</sup> " means, in respect of a Security (Security<sub>i</sub>) and an Automatic Early Redemption Valuation Date<sub>j</sub>, the price of such Security<sub>i</sub> on the relevant Exchange at the Valuation Time on such Automatic Early Redemption Valuation Date<sub>j</sub>, as determined by the Calculation Agent.

" S<sub>0</sub><sup>i</sup> " means, in respect of a Security (Security<sub>i</sub>), the Initial Price (as defined in paragraph 36(v) above) of such Security<sub>i</sub>

- Automatic Early Redemption Valuation Date(s):

Each date specified as such in Annex 2 (each an "**Automatic Early Redemption Valuation Date<sub>j</sub>**").

Each Automatic Early Redemption Valuation Date shall be subject to postponement in accordance with Condition 21(e) as if each reference to "Valuation Date" in such Condition was deemed to be a reference to "Automatic Early Redemption Valuation Date".

- Automatic Early Redemption Price:

100 per cent.

- Automatic Early Redemption Date(s):

Each date specified as such in Annex 2 (each an "**Automatic Early Redemption Date<sub>j</sub>**"), subject to adjustment in accordance with the Following Business Day Convention

- Automatic Early Redemption Amount:

The percentage of the Denomination<sub>2</sub> specified as such in Annex 2 (each an "**Automatic Early Redemption Amount<sub>j</sub>**").

## DISTRIBUTION

- |     |      |   |                |
|-----|------|---|----------------|
| 44. | (i)  | If syndicated, names of Relevant Dealer(s)/Lead Manager(s): | Not applicable |
|     | (ii) | If syndicated, names of other Dealers/Managers (if any):    | Not applicable |

	(iii) Date of Subscription Agreement:	Not applicable
	(iv) Stabilising Manager (if any):	Not applicable
45.	If non-syndicated, name and address of Relevant Dealer:	HSBC Bank plc
46.	Total commission and concession:	Not applicable
47.	Selling restrictions:	TEFRA D Rule
	United States of America:	Notes may not be offered or sold within the United States of America or to or for the benefit of a U.S. Person (as defined in Regulation S).
	Non-exempt Offer:	Not applicable
	Other:	Not applicable
48.	Stabilisation:	Not applicable

**LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Programme for the Issuance of Notes and Warrants of HSBC Bank plc.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. Information relating to the Basket of Securities has been extracted from *Bloomberg*. 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 *Bloomberg*, no facts have been omitted which would render the reproduced inaccurate or misleading.

**CONFIRMED**

**HSBC BANK PLC**



By: **Paul Friend.**  
*Authorised Signatory*

Date: \_\_\_\_\_

## **PART B - OTHER INFORMATION**

### **1. LISTING**

- (i) Listing: Application will be made to admit the Notes to listing on the Official List of the Financial Services Authority pursuant to Listing Rule 19. No assurance can be given as to whether or not, or when, such application will be granted
- (ii) Admission to trading: Application will be made for the Notes to be admitted to trading on the Regulated Market with effect from 07 June 2011. No assurance can be given as to whether or not, or when, such application will be granted

### **2. RATINGS**

Ratings: The long term senior debt of HSBC Bank plc has been rated:

S&P: AA  
Moody's: Aa2

The Notes have not specifically been rated.

### **3. NOTIFICATION**

Not applicable

### **4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer

### **5. REASONS FOR THE OFFER ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- (i) Reasons for the offer: Not applicable
- (ii) Estimated net proceeds: Not applicable
- (iii) Estimated total expenses: Not applicable

### **6. YIELD**

Indication of yield: Not applicable

### **7. HISTORIC INTEREST RATES**

Not applicable

### **8. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER**

## INFORMATION CONCERNING THE UNDERLYING

The Notes described herein have a scheduled maturity date at 09 June 2014, bear interest payable in arrears, on the scheduled interest payment date, at the fixed rate specified herein and are linked to the performance of the basket of Securities defined as the Basket herein as determined by the Calculation Agent (as defined herein). The Notes will be partially redeemed prior to scheduled maturity on a specified date at 80 per cent. of their nominal amount and the price performance of the Securities may result in the redemption of the outstanding Notes prior to scheduled maturity on specified dates at a premium to their nominal amount. The price performance of the Securities will also determine the basis for redemption of the Notes at scheduled maturity. Unless the Notes have been redeemed early, if the final performance of the Worst Performing Security (as defined herein) is greater than or equal to 100 per cent, the Notes will be redeemed at scheduled maturity at 115 per cent. of their nominal amount. If the final performance of the Worst Performing Security is less than 100 per cent but a Trigger Event (as defined herein) has not occurred with respect to any of the Securities, the Notes will be redeemed at scheduled maturity at an amount which will not be less than their nominal amount. Otherwise, if the final performance of the Worst Performing Security is less than 100 per cent. and a Trigger Event has occurred with respect to one or more of the Securities, the Notes will be redeemed by payment of an amount in cash less than the nominal amount of the Notes and equal to the product of such nominal amount and the fraction of which the numerator is the Final Price (as defined herein) of the Worst Performing Security and the denominator is the Initial Price (as defined herein) of such Worst Performing Security, determined by the Calculation Agent. The Notes are redeemable prior to scheduled maturity in certain circumstances at an amount determined by the Calculation Agent which may be less than their nominal amount.

Investing in the Notes involves substantial risks. Investors should understand that a loss of their entire investment is possible. As a consequence, prospective investors should be aware that the Notes are only suitable for highly sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks of an investment in the Notes. In purchasing Notes, each investor will be deemed to represent that it is such an investor and has such knowledge and experience. Prospective investors should consider the risk factors set forth under "Risk Factors" in the Prospectus and herein.

Details of the past and future performance and volatility of the Basket of Securities can be obtained from *Bloomberg*.

### 9. **PERFORMANCE OF EXCHANGE RATE(S) AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Not applicable

## OPERATIONAL INFORMATION

10.	ISIN Code:	XS0632908231
11.	Common Code:	063290823
12.	CUSIP:	Not applicable

13.	SEDOL:	Not applicable
14.	Intended to be held in a manner which would allow Eurosystem eligibility:	No
15.	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	None
16.	Delivery:	Delivery against payment
17.	Settlement procedures:	Medium Term Note
18.	Additional Paying Agent(s) (if any):	None
19.	Common Depository:	HSBC Bank plc
20.	Agent Bank/Calculation Agent:	HSBC Bank plc/HSBC France
	— is Calculation Agent to make calculations?	Yes
	— if not, identify calculation agent:	Not applicable
21.	Notices: ( <i>Condition 13</i> )	Applicable
22.	City in which specified office of Registrar to be maintained: ( <i>Condition 14</i> )	Not applicable
23.	Other relevant Terms and Conditions:	Not applicable
24.	Other Final Terms:	See Annexes below
25.	ERISA Considerations:	No

## ANNEX 1

*(This Annex forms part to the Final Terms to which it is attached)*

### **Information in relation to underlying Securities**

<b>i</b>	<b>Security</b>	<b>Underlying company</b>	<b>Bloomberg Code</b>	<b>Exchange</b>	<b>Related Exchange</b>	<b>Initial Price (EUR)</b>
<b>1</b>	Ordinary shares of IBERDOLA SA	IBERDOLA SA	IBE SM	SIBE Madrid	MEFF	6.15
<b>2</b>	Ordinary shares of REPSOL YPF SA	REPSOL YPF SA	REP SM	SIBE Madrid	MEFF	23.68
<b>3</b>	Ordinary shares of TELEFONICA SA	TELEFONICA SA	TEF SM	SIBE Madrid	MEFF	16.875

**ANNEX 2**

*(This Annex forms part to the Final Terms to which it is attached)*

<b>"j"</b>	<b>Automatic Early Redemption Valuation Date<sub>j</sub></b>	<b>Automatic Early Redemption Date<sub>j</sub></b>	<b>Automatic Early Redemption Amount<sub>j</sub></b>
<b>1</b>	04/06/12*	07/06/12	105.00% of par
<b>2</b>	03/06/13*	07/06/13	110.00% of par

Subject to postponement in accordance with Condition 21(e)