

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the CBBCs described below.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Non-collateralised Structured Products

Launch Announcement for Callable Bull/Bear Contracts to be issued by



Standard Chartered Bank
(incorporated in England with limited liability by Royal Charter 1853)
acting through its Singapore branch

Sponsor: Standard Chartered Bank (Hong Kong) Limited
(incorporated in Hong Kong with limited liability)

Particulars of CBBCs

We intend to issue the following Callable Bull/Bear Contracts (the “CBBCs”):

CBBCs		
Stock code(s)	64057	64061
Liquidity Provider broker ID	9687	9687
Issue size (CBBCs)	100,000,000	100,000,000
Style / Category	European style cash settled category R	European style cash settled category R
Type	Bear	Bull
Index	Hang Seng Index	Hang Seng Index
Board Lot (CBBCs)	10,000	10,000
Issue Price per CBBC (HK\$)	\$0.25	\$0.25
Funding Cost per CBBC as of Launch Date ¹ (HK\$)	\$0.2347	\$0.2328
	The funding cost will fluctuate throughout the life of the CBBCs	
Strike Level	25,130	24,480
Call Level	24,830	24,780
Index Exchange (for all series)	The Stock Exchange of Hong Kong Limited	
Index Currency Amount (HK\$)	\$1.00	\$1.00
Divisor	20,000	20,000

¹ The funding cost is calculated in accordance with the following formula:

$$\text{Funding Cost} = \frac{\text{Strike Level} \times \text{funding rate} \times n / 365 \times \text{Index Currency Amount}}{\text{Divisor}}$$

Where,

- “n” is the number of days remaining to expiration; initially, “n” is the number of days from (and including) the Launch Date to (and including) the trading day immediately preceding the Expiry Date; and
- the funding rate will fluctuate throughout the term of the CBBCs as further described in the relevant supplemental listing document in respect of the CBBCs. As of the Launch Date, the funding rate was 58.26% (for stock code 64057) and 59.34% (for stock code 64061).

CBBCs		
Stock code(s)	64057	64061
Launch Date (for all series)	02 March 2015	
Issue Date (for all series)	06 March 2015	
Listing Date (for all series)	09 March 2015	
Observation Commencement Date (for all series)	09 March 2015	
Valuation Date²	29 June 2015	29 June 2015
Expiry Date²	29 June 2015	29 June 2015
Settlement Date (for all series)	The third CCASS Settlement Day after (i) the end of the MCE Valuation Period or (ii) the later of: (a) the Expiry Date; and (b) the day on which the Closing Level is determined in accordance with the Conditions (as the case may be).	
Settlement Currency	Hong Kong dollars	Hong Kong dollars
Premium*	18.91%	18.76%
Gearing*	4.96x	4.96x
Effective Gearing*	4.96x	4.96x

* These values should not be compared to similar information provided by other issuers of CBBCs listed on the Stock Exchange. Each issuer may use different valuation models.

How much will you receive upon occurrence of the Mandatory Call Event?

The Mandatory Call Event occurs when the Spot Level of the Index at any time during an Index Business Day in the Observation Period is:

- (a) at or below the Call Level (in the case of a series of bull CBBCs); or
- (b) at or above the Call Level (in the case of a series of bear CBBCs).

“**Index Business Day**” means a day on which the Index Exchange is scheduled to open for trading for its regular trading sessions.

“**Observation Period**” means the period from and including the Observation Commencement Date to and including the Trading Day immediately preceding the Expiry Date.

“**Spot Level**” means the spot level of the Index as compiled and published by the Index Compiler.

Upon the occurrence of a Mandatory Call Event, the CBBCs will terminate automatically and you may receive a Residual Value per Board Lot in Hong Kong dollars calculated as follows (if positive):

In the case of a series of bull CBBCs:

$$\text{“Residual Value” per Board Lot} = \frac{(\text{Minimum Index Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

If the Residual Value is at or below zero, you will lose all your investment in the CBBCs.

Where “**Minimum Index Level**” means the lowest Spot Level of the Index during the MCE Valuation Period (being the period commencing from and including the moment upon which the Mandatory Call Event occurs and up to the end of the following trading session on the Index Exchange subject to any extension).

In the case of a series of bear CBBCs:

$$\text{“Residual Value” per Board Lot} = \frac{(\text{Strike Level} - \text{Maximum Index Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

If the Residual Value is at or below zero, you will lose all your investment in the CBBCs.

² If such day is not the day on which the relevant Index Futures Contracts expire on Hong Kong Futures Exchange Limited (or its successor or assign), the day on which the relevant Index Futures Contracts will expire on the Hong Kong Futures Exchange Limited (or its successor or assign).

Where “**Maximum Index Level**” means the highest Spot Level of the Index during the MCE Valuation Period (being the period commencing from and including the moment upon which the Mandatory Call Event occurs and up to the end of the following trading session on the Index Exchange subject to any extension).

What happens at expiry?

If no Mandatory Call Event has occurred during the Observation Period, the CBBCs will be automatically exercised on the relevant Expiry Date if the Cash Settlement Amount is greater than zero. You will receive a Cash Settlement Amount per Board Lot in Hong Kong dollars calculated as follows (if positive):

In the case of a series of bull CBBCs:

$$\frac{\text{“Cash Settlement Amount” per Board Lot}}{\text{Board Lot}} = \frac{(\text{Closing Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

In the case of a series of bear CBBCs:

$$\frac{\text{“Cash Settlement Amount” per Board Lot}}{\text{Board Lot}} = \frac{(\text{Strike Level} - \text{Closing Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

Where “**Closing Level**” means the final settlement price for settling Hang Seng Index Futures Contracts that are scheduled to expire during the month in which the Expiry Date of the relevant series of the CBBCs is scheduled to fall (the “**Index Futures Contracts**”)³.

Listing of the CBBCs

We will make an application to the Stock Exchange for the listing of, and permission to deal in, the CBBCs on the Stock Exchange and the issue of the CBBCs is conditional upon listing being granted.

Where can I obtain quotes?

You may request to obtain a quote for the CBBCs from:

Liquidity Provider:	Standard Chartered Securities (Hong Kong) Limited
Address:	15/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong
Telephone number:	+852 3983 8838

Where can I obtain further information?

Copies of the following documents (both the English version and the Chinese translation) are available for inspection from the Listing Date until the Expiry Date, during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at 15/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong:

1. our base listing document dated 22 April 2014 and the first addendum dated 11 August 2014; and
2. the relevant supplemental listing document to be dated on or about the Issue Date.

Additional information

The price of CBBCs may fall in value as rapidly as it may rise and you may sustain a total loss of the purchase price of the CBBCs. You should consider carefully the suitability of the CBBCs in light of your experience, objectives, financial position and other relevant circumstances before deciding to invest in the CBBCs.

The CBBCs constitute general unsecured contractual obligations of us as the Issuer and of no other person and will rank equally among themselves and with all our other unsecured obligations (save for those obligations preferred by law) upon liquidation. If you purchase the CBBCs, you are relying upon the creditworthiness of us, and have no rights under the CBBCs against the Index Compiler or any other person. If we become insolvent or default on our obligations under the CBBCs, you may not be able to recover all or even part of the amount due under the CBBCs (if any).

We are regulated by the Hong Kong Monetary Authority as a licensed bank. We are also regulated by the United Kingdom Financial Conduct Authority and the Prudential Regulation Authority. Our long term credit ratings (as of the day immediately preceding the date of this announcement) are A+ (CreditWatch Negative outlook) by Standard & Poor’s Credit Market Services Europe Limited and A1 (Stable outlook) by Moody’s Investors Service Hong Kong Limited.

³ Determined pursuant to Regulation 012 of the Regulations for Trading Stock Index Futures Contracts and the Contract Specifications for Hang Seng Index Futures (as amended from time to time) of the Hong Kong Futures Exchange Limited (or its successor or assign), subject to our right to determine the Closing Level in good faith on the Valuation Date upon the occurrence of a Market Disruption Event as described further in Condition 3.

Index disclaimer

The Index is published and compiled by Hang Seng Indexes Company Limited (the “**Index Compiler**”) pursuant to a licence from Hang Seng Data Services Limited (“**Hang Seng Data Services**”). The mark and name “Hang Seng Index” is proprietary to Hang Seng Data Services. The Index Compiler and Hang Seng Data Services have agreed to the use of, and reference to, the Index by the Issuer in connection with the CBBCs, **BUT NEITHER THE INDEX COMPILER NOR HANG SENG DATA SERVICES WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE CBBCS OR ANY OTHER PERSON (I) THE ACCURACY OR COMPLETENESS OF THE INDEX AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (II) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (III) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE INDEX IS GIVEN OR MAY BE IMPLIED.** The process and basis of computation and compilation of the Index and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by the Index Compiler without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY THE INDEX COMPILER OR HANG SENG DATA SERVICES (I) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE INDEX BY THE ISSUER IN CONNECTION WITH THE CBBCS; OR (II) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF THE INDEX COMPILER IN THE COMPUTATION OF THE INDEX; OR (III) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE INDEX WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (IV) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE CBBCS OR ANY OTHER PERSON DEALING WITH THE CBBCS AS A RESULT THEREOF AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST THE INDEX COMPILER AND/OR HANG SENG DATA SERVICES** in connection with the CBBCs in any manner whatsoever by any broker, holder or other person dealing with the CBBCs. Any broker, holder or other person dealing with the CBBCs does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on the Index Compiler and Hang Seng Data Services. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and the Index Compiler and/or Hang Seng Data Services and must not be construed to have created such relationship.

02 March 2015