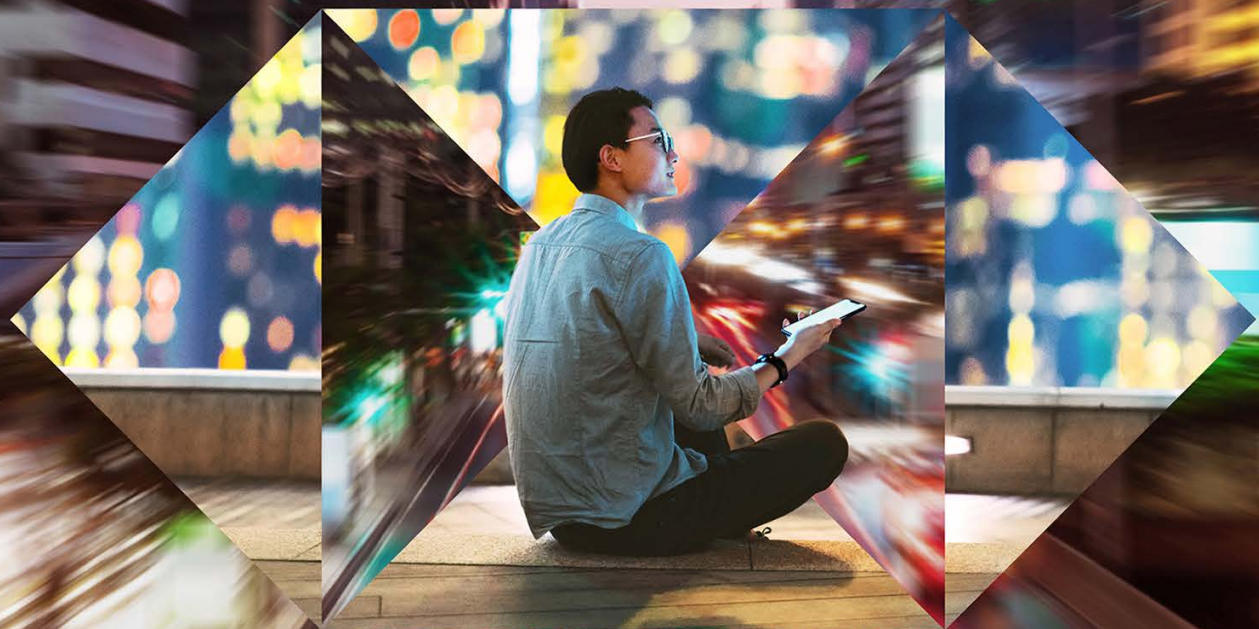


HSBC Issuer Services

Unlock the value of Escrows for your transactions

#HSBCescrow



Your partner of choice

HSBC's Issuer Services team is highly experienced in dealing with the complexity of large capital markets transactions. We have the depth of knowledge and reliable processes in place to make your transaction as seamless and efficient as possible.



Entrust the services of a solid partner*

- ◆ HSBC acts as an independent party to safekeep cash and assets or keep certain documents as required.
- ◆ Our team acts under the instructions of the contracting parties to the agreement when handling or releasing these assets or documents.
- ◆ Using HSBC escrow services can help to ensure transactions are completed as quickly and efficiently as possible.



Get the service you need

- ◆ Minimise costs and expedite deal closure with our standardised templated escrow documentation.
- ◆ Safeguard your assets by using HSBC Issuer Services to act as a trusted third-party custodian.



Find the right escrow solution, in the right location

- ◆ We deal with global, complex transactions and have experience to tailor solutions that are specific to the transaction's needs.
- ◆ Our escrow services support a variety of transactions, including M&A, pension deficits, collateral accounts, securing contractual representations and warranties.
- ◆ Our globally connected escrow team spans +20 locations.

Our roles

1

Escrow Agent: Independent party acting on instruction ensuring cash and other assets of value are securely held pending the outcome of certain conditions.

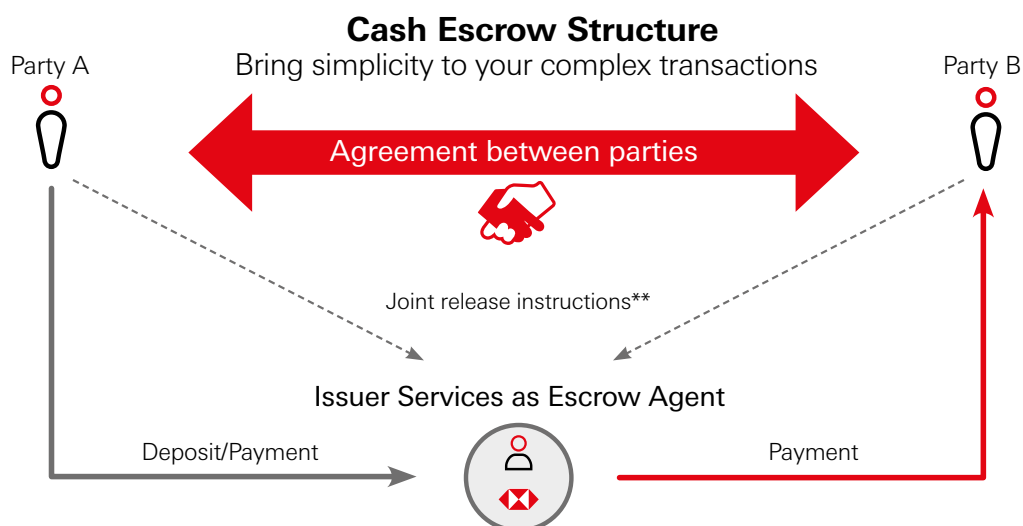


2

Custodian*: if linked into the escrow agreement, we can hold securities on account and will be responsible for the safeguarding of assets.



Stay up-to-date with our escrow news. Follow [#HSBCescrow](#) on LinkedIn to access our latest content.



*Please note that some of the products presented in this document may not be available in your country. Please contact your Relationship Manager for more information.

**Subject to conditions agreed in the agreement.



Did you know?

HSBC in Europe has been providing escrows to support high-profile sporting events, where clients need funds to be held until the outcome of the event. Efficiencies around account opening and timeframes are a key differentiator.

This solution can be offered to clients in locations where HSBC has escrow operations.

[#HSBCescrow](#)



Did you know?

HSBC in the U.S. acted as intraday lender, escrow agent and loan servicer to enable a client to acquire a key stake in a multi-billion dollar infrastructure development project. HSBC designed a tailored solution enabling the client to purchase an additional stake in its target: an intraday loan for the full amount of the acquisition. HSBC's Issuer Services provided an escrow and agency solution, with the receipt and disbursement of funds taking place within three hours. [#HSBCescrow](#)



Did you know?

HSBC in the Middle East has developed escrows for patents. In this case, the escrow is leveraged in an acquisition of patented assets before the ownership was fully transferred. This solution can be offered to clients in locations where HSBC has escrow operations. [#HSBCescrow](#)



Did you know?

Additional services often combined with escrow accounts include: account bank, pledged account bank (standard account opened up with HSBC, with a pledge acknowledged) and pledged custody.

[#HSBCescrow](#)

Experience our 1-2-3 promise

With timing and security being critical in transactions requiring the use of escrows, we have designed a robust approach. Developed with insights from clients and the industry, our proposition is designed to give you the peace of mind you need to focus on the other strategic aspects of your transaction.

1

Efficient risk management

Risk mitigation is an important part of our proposition. Whether you are the buyer or the seller, our escrow solutions are designed to help you:

- ◆ Mitigate timing risk.
- ◆ Mitigate counterparty risks.
- ◆ Protect your funds.
- ◆ Get assurance of milestone payments.

2

Seamless execution

Tap into our streamlined documentation capabilities: our process is well known in the market to enable the legalities of the role to be agreed in the most efficient way between all parties. Partner with us and benefit from:

- ◆ International coverage for crossborder deals.
- ◆ Timely execution of transactions.
- ◆ Seamless client service experience.

3

Reliable partnership

- ◆ **Securing your deposit:** Whether you require cash, securities, or documents (or a combination thereof) to be held, we act as the independent safekeeper of the deposit to alleviate counterparty risk. We release the deposit to the beneficiary upon instructions agreed by all parties.
- ◆ **Liquidity & rating:** Clients can rely on our ability to unlock liquidity to move large amounts intra-day, thanks to our balance sheet backed by strong credit rating.



HSBC was named Best in Escrow Agency
The Asset, Triple A Asset Servicing Awards 2020

Explore ways to use escrows strategically

The use of escrow accounts can be applied in a variety of scenarios. By partnering with us and leveraging our strong credit rating and balance sheet to help reduce counterparty risk, you can access customised escrow solutions which are right for you.



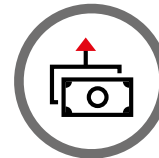
REAL ESTATE

We act as escrow agent/trustee to support large, complex real estate transactions.



M&A

HSBC can provide a range of escrow solutions for a variety of M&A transactions supporting both pre-closing and post-closing conditions.



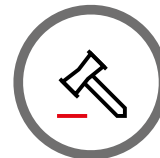
INDEMNITY & HOLDBACKS

Escrows can be used to indemnify the buyer for liabilities incurred during the lifecycle transaction and can be used to "holdback" purchase price adjustments amounts to help protect buyers from overpayment.



SUPPLY CHAIN

A supply chain escrow account can be used to mitigate counterparty risk for cross-border trades.



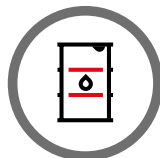
LITIGATION

Escrows can be used to facilitate a more efficient litigation process. E.g. to hold funds in escrow awaiting the outcome of a court judgment or for class action disputes.



ESG*/PEF**

You can use an escrow account to place funds in the decommissioning of a wind farm.



OIL & GAS

Escrows can be used in the abandonment and decommissioning of upstream oil and gas facilities.



LBOs***

Escrows can be used to retain bond proceeds, e.g in Leveraged Buy Out scenarios.

*ESG: Environmental, Social and Governance

**PEF: Project and Export Finance

***LBO: Leveraged Buy Out

With you every step of the way

From onboarding and documentation review to the opening of the escrow accounts, the dedicated Client Service Manager and Transaction Manager assigned to your transaction will work in partnership with you throughout the life cycle of your deal.

The value of our network

Partner with our experienced global teams and leverage our extensive network, local knowledge and client-focused services to access our escrow solutions in multiple locations.

Our **local presence** and **global footprint** give us access to **90%** of world trade flows

Source: HSBC Group, May 2019



Did you know?

Our proposition includes Insurance Trust products, where escrows are a strategic tool. With speed of execution a critical aspect of this market, our dedicated team works hand in hand with you to ensure smooth completion of your transaction. [#HSBCescrow](#)

Did you know?

HSBC has one of the largest China branch networks amongst foreign banks, capable of offering escrow services from more than 170 branches in over 50 cities across the country. [#HSBCescrow](#)

Did you know?

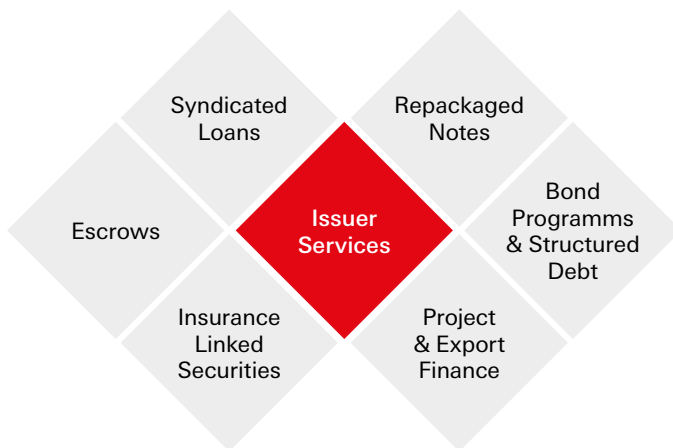
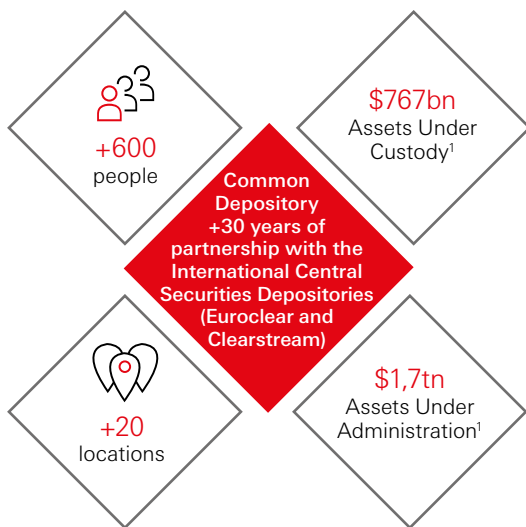
HSBC has a large team of professionals in China, well experienced in various transactional models, with transaction managers able to negotiate documents in Mandarin. [#HSBCescrow](#)

Did you know?

We can open escrows in the U.S., Chile and also have presence in Bermuda, which allows us to participate actively in the global reinsurance market. [#HSBCescrow](#)

About Issuer Services

HSBC Issuer Services provide operational and administrative services for **conventional and structured debt, project and export finance, escrows, repackaged notes and syndicated loans** to enable clients to pursue international capital market activities. Our vast network, local knowledge and client-focused services enable us to provide tailored trustee and agency solutions.



Credit rating.

Our strong credit rating and robust balance sheet help you reduce counterparty risk, an essential element for effectively managing your portfolio.



Global network.

Issuer Services operates in +20 countries through key major hubs: London, Hong Kong, Dubai and New York. Our international network, including in the Middle East and Asia Pacific, enables us to offer customised cross-border services.



Relationship-driven.

Our experienced team provides hands-on assistance with onboarding and documentation review. Dedicated client service managers offer ongoing support, while specialised transaction managers take care of documentation.



HSBCnet & HSBC Investor Reporting

HSBCnet, our client portal, gives you a clear picture of all your global banking operations in one place.

Our mobile-friendly Investor Reporting allows debt issuers and investors to access their portfolio data in real-time

For more information, please visit: www.gbm.hsbc.com/issuer-services or contact us:

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- ◆ Americas: isvusbd@us.hsbc.com
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Follow us on LinkedIn and type **#HSBCescrow** to access our latest content.

¹Source: Issuer Services data, based on month end balances, as of August 2020

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