

HSBC BANK CANADA
GLOBAL OPPORTUNITY DEPOSIT NOTE
LINKED TO S&P 500[®], DJ EURO STOXX 50[®], AND NIKKEI 225[®]
DUE FEBRUARY 25, 2010

TERMS AND CONDITIONS
SETTLEMENT DATE: FEBRUARY 25, 2005
STRIKE SETTING: FEBRUARY 22, 2005

INVESTMENT HIGHLIGHTS

- **5 Year 100% Principal Protected Note offers global diversification by linking to the average performance of an equally weighted basket of the following 3 indices:**
 - **S&P-500 Index[®]**
 - **DJ Euro Stoxx 50[®]**
 - **Nikkei 225[®]**
- **The Note will provide a Variable Return equal to 125% of the Aggregate Average Performance of the 3 indices, equally weighted at 33.33% each.**
- **For each index, the Average Index Performance will be calculated as the difference between the arithmetic average of the quarterly fixings of the index over the term of the Note and the Initial Index Level, divided by the Initial Index Level.**
- **RRSP eligible as Canadian Content**
- **Senior unsecured obligation of HSBC Bank Canada, rated A+ (S&P) AA(low) (DBRS).**

Instruments of the kind described in this term sheet may be complicated and risky and can only be determined if appropriate for an investor on the basis of the investor's careful review of the terms and conditions, and consultation as necessary with independent professional advisers. HSBC and the selling agents assume that the investor has undertaken such review and consultation, and has advised HSBC and the selling agents of any conclusions or information relevant to these terms and conditions, the facts and investment objectives relevant to the investor's circumstances and the purchase by the investor of the financial instrument described in this term sheet. This term sheet does not purport to identify all of the risks, whether direct or indirect, of investing in the described financial instrument. The information contained in this term sheet, while obtained from sources that HSBC and the selling agents believe to be reliable, is not guaranteed as to accuracy or completeness. The information in this term sheet is not to be construed as advice or as a recommendation to enter into any financial instrument. HSBC Securities (Canada) Inc. (Member CIPF) is a wholly owned subsidiary of, but separate entity from HSBC Bank Canada

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Terms & Conditions

GLOBAL OPPORTUNITY DEPOSIT NOTE
linked to S&P 500[®], DJ EURO STOXX 50[®], and Nikkei 225[®]
5 Year Maturity
125% Upside Participation
100% Principal Protected at Maturity

This term sheet is subject to and should be read in conjunction with the Global Certificate. If there is any inconsistency between the terms and conditions set forth in this term sheet and those contained in the Global Certificate, the Global Certificate shall prevail.

HSBC recommends that the investor consult with a personal tax advisor to determine the tax consequences of purchasing this issue. Generally, interest paid on this issue will not be subject to Canadian withholding tax if held by a Non-Resident of Canada.

The Note is subject to fluctuations in Index as more fully described below. Redemption Proceeds at maturity shall be determined in arrears in relation to the arithmetic average of the quarterly fixings of the Indices over the term of the Note.

Description: 100% Principal Protected Deposit, evidenced by a global note held by The Canadian Depository for Securities Limited (“CDS”). The Note pays interest in U.S. Dollars (USD) and the principal is also redeemed in USD.

The Note does not constitute a deposit that is insured under the Canada Deposit Insurance Corporation Act or any other similar legislation.

Issuer: HSBC Bank Canada (“HSBC”)

Issue: 5 Year Global Opportunity Deposit Note

Rating: DBRS: AA(low) S&P: A+

Security and Ranking: The Note will constitute a deposit liability of HSBC ranking equally with all other deposit liabilities of HSBC without any preference among themselves and at least equally with all other unsecured and unsubordinated indebtedness and obligations of HSBC outstanding from time to time (except as otherwise prescribed by law).

Denomination: U.S. Dollars (USD)

Principal Amount: USD 3,000,000 plus reopenings

Trade Date: February 18, 2005

Index Set Date: February 22, 2005

Settlement Date: February 25, 2005

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Valuation Date:	February 22, 2010
Maturity Date:	February 25, 2010
Issue Price:	100.00 %
Basket:	Equally weighted basket of Index_1: S&P 500 [®] (ticker: SPX) Index_2: Dow Jones EURO STOXX 50 [®] (ticker: SX5E) Index_3: Nikkei 225 [®] (ticker: NKY)
Interest:	Interest on the Notes will be determined, earned, credited and paid on the Maturity Date. Interest will equal the Variable Coupon
Initial Index Levels:	Closing levels of the Basket Indices on Index Set Date
Participation:	125%
Redemption Proceeds At Maturity:	Principal Amount x {1+ [Participation x MAX(0, End Basket Return)]}

End Basket Return = (Return_1 + Return_2 + Return_3)/3

where Return_n is the percentage return of the respective Index_n:

$$\text{Return}_n = \frac{\text{Average Closing Level of Index}_n - \text{Initial Index}_n \text{ Level}}{\text{Initial Index}_n \text{ Level}}$$

Average Closing Level of Index_n = the arithmetic average of the Quarterly Index_n closes on the Observation Dates.

Observation Dates: The 22nd of each May, August, November, and February, subject to the Following Exchange Business Days in New York, Frankfurt, and Tokyo for the S&P 500[®] (ticker: SPX), Dow Jones EURO STOXX 50[®] (ticker: SX5E), and Nikkei 225[®] (ticker: NKY) respectively. The first Reference Date being February 22, 2005 and the last Reference date being February 22, 2010, for a total of 20 Reference Dates for each Index.

Fee for Sales

Prior to Maturity Date: Should a Noteholder elect to sell their Notes prior to the Maturity Date (assuming the availability of a secondary market), HSBC shall charge a fee to the Noteholder on the principal amount of the Note in accordance with the chart below, depending on the applicable year of sale by the Noteholder. Under no circumstances may HSBC act as purchaser in the sale of such Notes by the Noteholder.

Current Market Value – (Principal Amount Invested x Redemption Charge)

Year	1	2	3	4	5
Charge	4.0%	3.0%	2.0%	1.0%	0.0%

(% of Principal Amount)

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Calculation Agent:	HSBC Bank USA
Listing:	Unlisted
Minimum Amounts:	Minimum USD 10,000 per order and USD 1,000 thereafter, subject to a minimum issuance amount of USD 3,000,000.
Agent:	HSBC Securities (Canada) Inc.
Documentation:	The Note will be issued by way of a single Global Certificate registered in the name of a nominee of CDS and deposited with CDS and reflecting the term and conditions generally set out in this term sheet. Registration of interests in and transfers of the Note will be made only through the Book-Entry Only (BEO) system of CDS. Interests in the Note must be purchased either directly or indirectly through a participant in the CDS BEO system. No Note holder will be entitled to any Note or other instrument from HSBC or CDS evidencing the ownership thereof, and no Note holder will be shown on the records maintained by CDS, except through an agent who is a participant of CDS.
Business Day Convention:	If the Maturity Date or Settlement Date or any other relevant date falls on a day that is not a Business Day, then that date will be the first following day that is a Business Day.
Business Day:	A day on which commercial banks are open for business in Toronto, Ontario, and New York, NY.
Exchange Business Day:	A day on which S&P 500 [®] (ticker: SPX), Dow Jones EURO STOXX 50 [®] (ticker: SX5E), and Nikkei 225 [®] (ticker: NKY) are all open to conduct all of their usual business.

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Scenario Example

	S&P 500 Closing Level	DJ Euro Stoxx 50 Closing Level	Nikkei 225 Closing Level
Index Set Date	1000	2500	10000
1st Quarter	1269	3019	13625
2nd Quarter	1300	3399	13199
3rd Quarter	1289	3382	13013
4th Quarter	1537	3231	13444
5th Quarter	1614	3528	13544
6th Quarter	1844	3633	13821
7th Quarter	1837	3622	13989
8th Quarter	1838	3799	13573
9th Quarter	1770	4027	13927
10th Quarter	1620	3717	15918
11th Quarter	1495	3849	16537
12th Quarter	1650	3974	16578
13th Quarter	1559	3763	16507
14th Quarter	1611	3637	16646
15th Quarter	1713	4465	16204
16th Quarter	1935	4441	16654
17th Quarter	1897	4398	19306
18th Quarter	1737	4885	18747
19th Quarter	1818	4406	18457
20th Quarter	1956	4868	18776
Average Closing Level of Index	1664.5	3902.2	15623.3
Return	66.4%	56.1%	56.2%
End Basket Return			59.6%
Participation			125.0%
Redemption Proceeds at Maturity			174.5%

In this scenario the Note would return the Principal invested plus a Variable Return of 74.5% or a 11.78% annually compounded rate of return.

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Scenario Example

	S&P 500 Closing Level	DJ Euro Stoxx 50 Closing Level	Nikkei 225 Closing Level
Index Set Date	1000	2500	10000
1st Quarter	1026	2688	8327
2nd Quarter	1004	2241	11468
3rd Quarter	1023	2845	9605
4th Quarter	918	2195	9421
5th Quarter	902	2188	11402
6th Quarter	911	2133	11415
7th Quarter	933	2907	11747
8th Quarter	939	2545	8882
9th Quarter	1009	2674	9656
10th Quarter	954	2691	8159
11th Quarter	1019	2893	9533
12th Quarter	1048	2947	11572
13th Quarter	984	2977	10517
14th Quarter	902	2956	9596
15th Quarter	957	2070	8113
16th Quarter	989	2682	11449
17th Quarter	981	2682	9321
18th Quarter	948	2691	9821
19th Quarter	916	2189	8367
20th Quarter	1042	2182	11765
Average Closing Level of Index	970.3	2568.8	10006.8
Return	-3.0%	2.8%	0.1%
End Basket Return			-0.1%
Participation			125.0%
Redemption Proceeds at Maturity			100.0%

In this scenario the Note would return the Principal invested.

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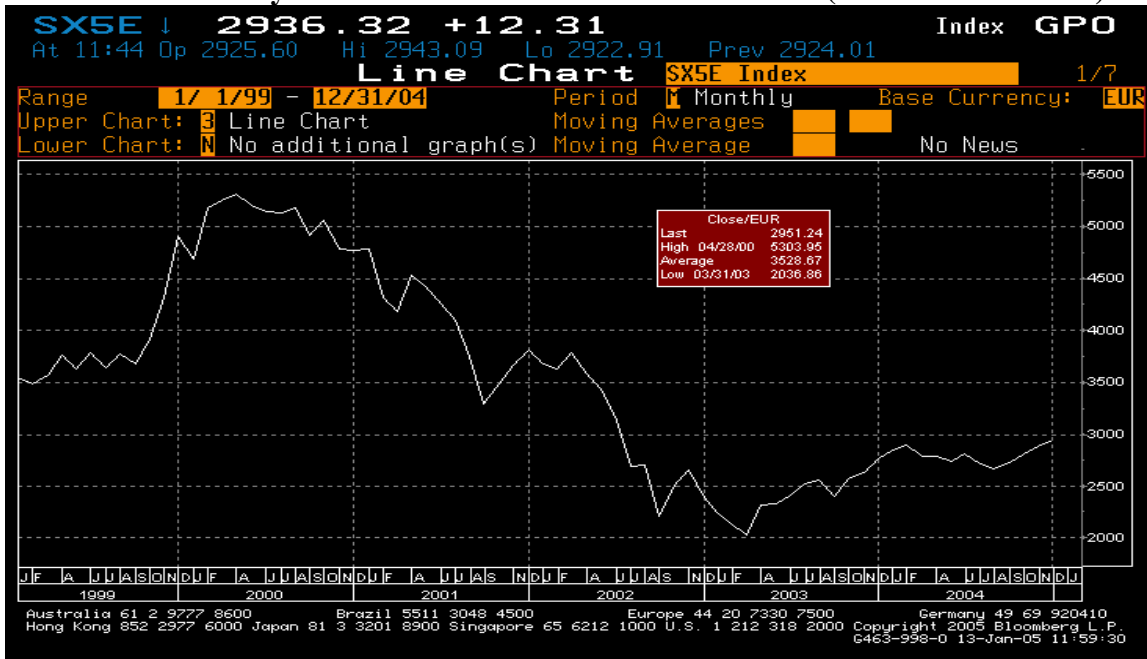
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Description of the Dow Jones EURO STOXX 50 ®

SX5E ↓ 2935.85 +11.84				Index DES	
At DELAYED Op 2925.60 Hi 2943.09 Lo 2922.91					
INDEX DESCRIPTION PAGE				Page 1/ 4	
SX5E - DJ EURO STOXX 50 € Pr					
<p>The Dow Jones EURO STOXX 50 (Price) Index is a capitalization-weighted index of 50 European blue-chip stocks from those countries participating in the EMU. The equities use free float shares in the index calculation. The index was developed with a base value of 1000 as of December 31, 1991. This index uses float shares.</p>					
DGIP Prices	Value	% Chg	Net Chg	No Industry Groups	
Year-to-Date	2951.24	-.521	-15.39	4MEMB 50 Members	134 ↓15 →1
2TRA 52 Weeks Ago	2801.97	+4.778	+133.88	5MOV Today's Movers by Index Pts	
3GPD 52 Week High	2989.61	on 01/03/05		6) ROYAL DUTCH PETR	+1.801
52 Week Low	2559.88	on 08/16/04		7) SANOFI-AVENTIS	+1.527
Fundamental Information				8) ENI SPA	+1.523
Price/Earnings	15.96	Ex-Dvd	-.4566	9) SANTANDER	+1.081
Dividend Yield	2.90	on 01/11/05		10) E.ON AG	-.585
Index Information				Lagging 11) SIEMENS AG-REG	-.563
Currency	EUR / EUROPE			Movers 12) NOKIA OYJ	-.537
Volume	716,016,896	on 01/12/05		13) MUENCHENER RUE-R	-.423
Market Cap	1.82TRI			14CN News on Today's Movers	
Divisor	520.672264			15FVD Futures Available	
				16OCM Options Available	
<small>Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 920410 Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2005 Bloomberg L.P. 6463-998-0 13-Jan-05 11:41:53</small>					

Source: Bloomberg

5 Year Price History of the Dow Jones EURO STOXX 50 ® (01/01/99 – 12/31/04)



Source: Bloomberg

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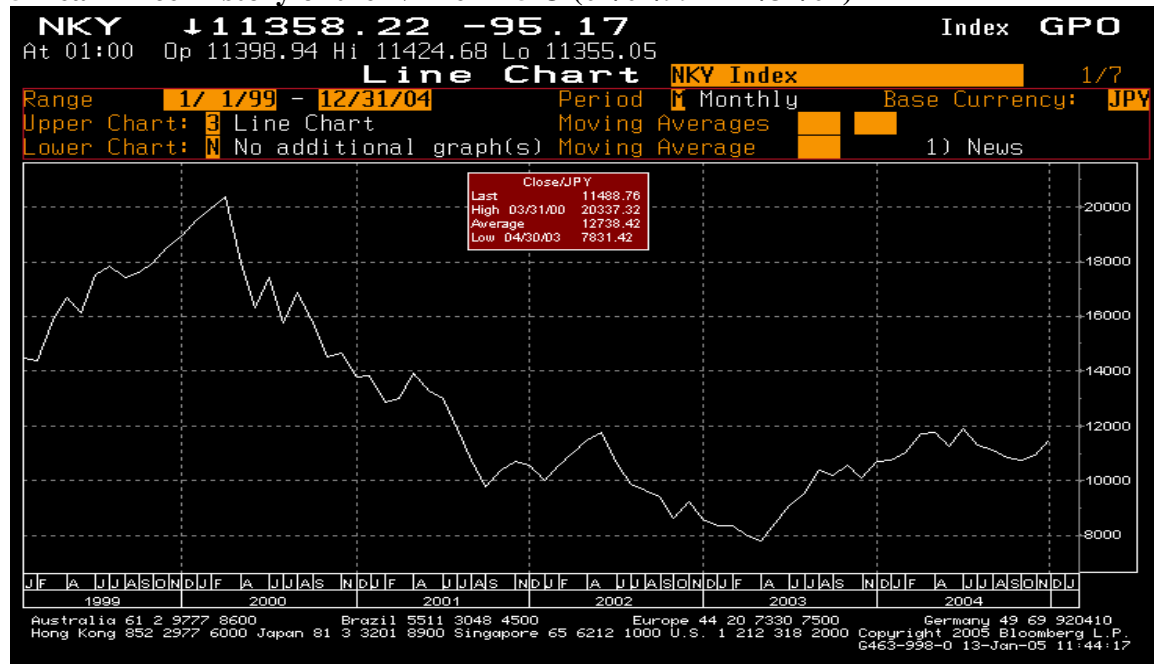
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Description of the Nikkei 225 ®

NKY ↓ 11358.22 -95.17 At 01:00 Op 11398.94 Hi 11424.68 Lo 11355.05 INDEX DESCRIPTION PAGE Page 1/ 8 NKY - NIKKEI 225				Index DES
The Nikkei-225 Stock Average is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange. The Nikkei Stock Average was first published on May 16, 1949, where the average price was ¥176.21 with a divisor of 225. Index fundamentals are based on Equity Parents data, not Consolidated.				
DGIP Prices Value % Chg Net Chg Year_to_Date 11488.7 -1.136 -130.54 TRA 52 Weeks Ago 10849.6 +4.687 +508.54 GPO 52 Week High 12195.6 on 04/26/04 52 Week Low 10299.4 on 02/10/04	Fundamental Information Price/Earnings 44.85 Ex-Dvd -4.134 Dividend Yield .91 on 12/27/04 Index Information Currency JPY Volume 694,257,984 on 01/13/05 Market Cap 218.6TR Divisor 23.947	No Industry Groups MEMB 225 Members 130 ↓186 +9 MOV Today's Movers by Index Pts Leading Movers 6) FANUC LTD +1,253 7) NIKON CORP +,919 8) NTT DATA CORP +,835 9) EISAI CO LTD +,418 Lagging Movers 10) ADVANTEST CORP -4,593 11) CANON INC -4,176 12) CSK CORP -3,758 13) ITO-YOKADO CO -2,923 CN News on Today's Movers FVD Futures Available OCM Options Available		
<small> Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 920410 Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2005 Bloomberg L.P. 6463-998-0 13-Jan-05 11:45:11 </small>				

Source: Bloomberg

5 Year Price History of the Nikkei 225 ® (01/01/99 – 12/31/04)



Source: Bloomberg

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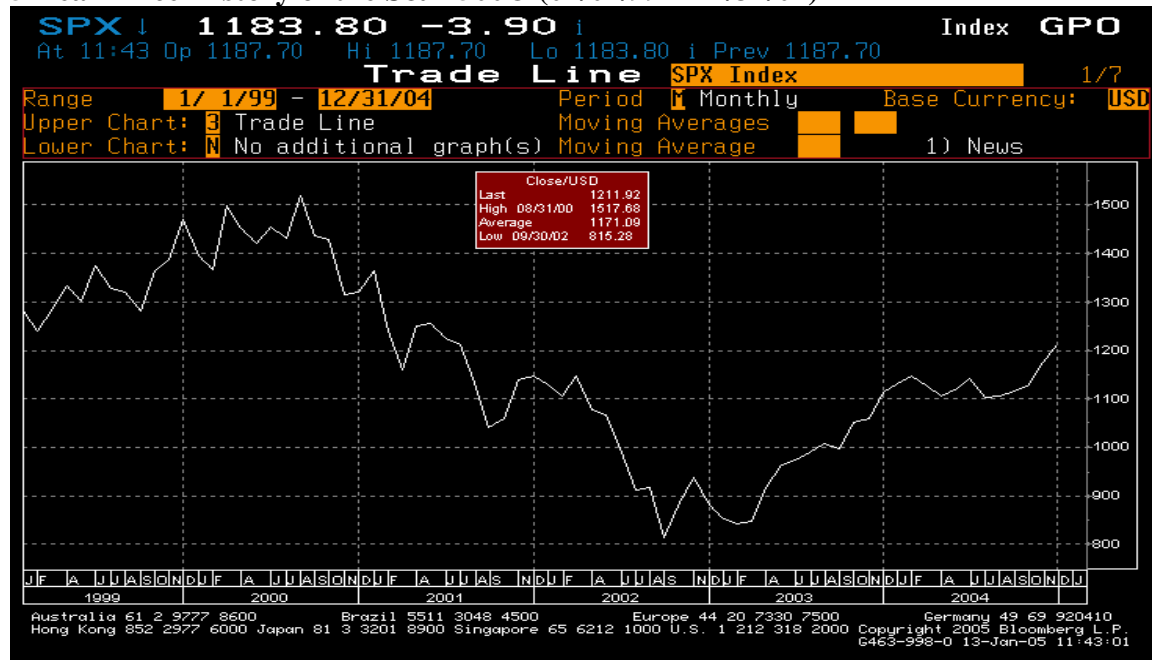
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5 Year Price History of the S&P 500® (3/31/99 – 3/31/04)

SPX ↓ 1183.76 -3.94 1183.50/1183.99				Index DES		
At 11:43 Op 1187.70 Hi 1187.70 Lo 1183.76						
INDEX DESCRIPTION PAGE				Page 1/15		
SPX - S&P 500 INDEX						
Standard and Poor's 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The index was developed with a base level of 10 for the 1941-43 base period. See SPY US Equity <GD> for the tradeable equivalent.						
DGIP Prices	Value	% Chg	Net Chg	4GRPS 132 Industry Groups		
Year-to-Date	1211.92	-2.320	-28.12	5MEMB 500 Members	1234 1260 +6	
2TRA 52 Weeks Ago	1121.22	+5.581	+62.58	6MOV Today's Movers by Index Pts		
3GPO 52 Week High	1217.90		on 01/03/05	7) APPLE COMPUTER	+259	
52 Week Low	1060.72		on 08/13/04	8) EXXON MOBIL CORP	+215	
Fundamental Information				9) MOTOROLA INC	+141	
* Price/Earnings	19.96	Ex-Dvd	-.1423	10) JPMORGAN CHASE	+115	
* Dividend Yield	1.97		on 01/12/05	11) PFIZER INC	-.364	
Index Information				Lagging Movers	12) VERIZON COMMUNIC	-.247
Currency	USD			13) GENERAL ELECTRIC	-.238	
Volume	1.42BLN		on 01/12/05	14) PROCTER & GAMBLE	-.237	
Market Cap	10.95TRI			15CN News on Today's Movers		
Divisor	9315.89320004			16FVD Futures Available		
				17OCM Options Available		
* Calculated by Bloomberg						
Australia 61 2 9777 8600		Brazil 5511 3048 4500		Europe 44 20 7330 7500		
Hong Kong 852 2977 6000		Japan 81 3 3201 8900		Singapore 65 6212 1000		
U.S. 1 212 318 2000		Germany 49 69 920410		Copyright 2005 Bloomberg L.P.		
				6463-998-0 13-Jan-05 11:43:19		

Source: Bloomberg

5 Year Price History of the S&P 500® (01/01/99 – 12/31/04)



Source: Bloomberg

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Risk Factors Include:

Other than the ability to put the notes back to HSBC pursuant to the Early Redemption provisions, there may not be an active trading market in the Notes—Sales in the secondary market and/or live unwind prices quoted for the Notes by HSBC prior to maturity may result in losses. It is the current practice but not the legal obligation of HSBC to quote on request a live price (determined by HSBC in its sole discretion) which it would pay/charge for early termination of any Note of this type that it issues. HSBC may under certain conditions such as request for unwinds in small denominations or a market disruption event affecting the markets generally or HSBC specifically cease to provide live unwind prices. A live unwind price for a note of this type on any day of its term may be affected by then-current market conditions including liquidity. A live unwind price for a note of this type can change significantly from day to day over the life of the note. HSBC is under no obligation to hold a price quoted for any length of time unless this is agreed at the time of giving the quote.

Movements in the level of the Index may affect whether or not Note holders receive a coupon. If on the Valuation Date the End Basket Return is less than 0.00% then the Note Redemption at maturity will be 100% of Principal Amount.

Hedging activities may create conflicts of interest between HSBC and the investor. HSBC or one or more of its affiliates may hedge our obligations under the Notes by purchasing futures or options on the Index or shares of the companies comprising the Index or other derivative instruments with returns linked or related to changes in the performance of the Index, and HSBC may adjust these hedges by, among other things, purchasing or selling shares, futures or options or other derivative instruments linked to the Index at any time. Although they are not expected to, any of these hedging activities may adversely affect the level of the Index and, therefore, the market value of the Notes. It is possible that we or one or more of our affiliates could receive substantial returns from these hedging activities while the market value of the Notes decline.

Business activities may create conflicts of interest between the investor and HSBC. HSBC or one or more of its affiliates may, at present or in the future, publish research reports with respect the Index or the Index Sponsor. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any of these activities may affect the level of the Index and, therefore, the market value of the Notes.

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