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For Immediate Release

HBanc Capital Securities Trust Files Preliminary Prospectus

TORONTO – September 1, 2010

Connor, Clark & Lunn Capital Markets Inc. (the “Manager”) is pleased to announce that a preliminary prospectus for HBanc Capital Securities Trust (the “Fund”) has been filed with the securities regulatory authorities of all the Canadian provinces and territories for an initial public offering of Class A Units and Class U Units (the “Units”) of the Fund. Class U Units are designed for investors wishing to make their investment in U.S. dollars. Prospective purchasers may purchase Units either by (i) cash payment or (ii) an exchange of freely tradeable securities of any Exchange Eligible Issuer listed in the Fund’s prospectus.

The Fund was established to provide investors with high levels of stable, tax-advantaged distributions through exposure to Capital Securities issued by HSBC Holdings plc, a conservatively positioned and strongly capitalized global bank.

The Fund’s investment objectives are to (i) provide Unitholders with monthly, tax-advantaged distributions consisting primarily of returns of capital, currently representing a yield on the Unit issue price of 7.0% per annum, and (ii) provide exposure to the Capital Securities. The Fund will not have a fixed distribution, but intends to make monthly distributions based on the actual and expected distributions on the Capital Securities less the Fund’s estimated expenses.

The Manager of the Fund believes that the Capital Securities offer an attractive investment opportunity for the following reasons:

- Compelling yields – The Capital Securities offer compelling yields, particularly in comparison to capital securities and preferred shares issued by Canadian banks with similar credit ratings.
- High credit ratings of the Capital Securities – The Capital Securities are rated “A-” by Standard & Poor’s, “A3” by Moody’s and “A+” by Fitch.
- Diversified business model – HSBC is one of the largest banks in the world. HSBC positions itself as “the world’s local bank” and employs a well-balanced and diversified business model with a focus on maintaining its signature capital strength.
- Stable funding through customer deposits – A key part of its business model is HSBC’s emphasis on customer deposits as a source of stable funding and a philosophy of “we take deposits first and then we lend”.
- Consistent profitability – Similar to Canadian banks, HSBC did not require any government capital support and has remained profitable since the onset of the financial crisis.
- High credit ratings of HSBC – HSBC is rated “AA-” by Standard & Poor’s, “Aa2” by Moody’s and “AA” by Fitch. On the strength of these ratings, HSBC was ranked the second safest bank in the world among banks with more than U.S. \$2.0 trillion in assets in October 2009 by *Global Finance* magazine.
- Strong capital ratios – HSBC is strongly capitalized with capital ratios at their highest levels in a decade. As at June 30, 2010, HSBC had total assets of U.S. \$2,418 billion, total shareholders’ equity of U.S. \$136 billion, a total capital ratio of 14.4% and Tier 1 Capital ratio of 11.5%.

The Capital Securities are denominated in U.S. dollars. The Manager intends to hedge substantially all of the value of the Capital Securities back to the Canadian dollar in respect of Class A Units. The Manager will not hedge its currency exposure in respect of Class U Units.

Connor, Clark & Lunn Capital Markets Inc. will act as Manager of the Fund. The Manager also acts as the manager of Canadian Banc Capital Securities Trust and North American Financials Capital Securities Trust, and is part of the Connor, Clark & Lunn Financial Group, which is responsible for the investment of approximately \$35 billion in financial assets as at June 30, 2010.

The Units are being offered for sale by a syndicate of agents led by BMO Capital Markets and HSBC Securities (Canada) Inc., and includes CIBC, RBC Capital Markets, National Bank Financial Inc., Scotia Capital Inc., GMP Securities L.P., Canaccord Genuity Corp., Dundee Securities Corporation, Macquarie Capital Markets Canada Ltd., Raymond James Ltd., Desjardins Securities Inc., Mackie Research Capital Corporation and Wellington West Capital Markets Inc.

A preliminary prospectus relating to these securities has been filed with securities commissions or similar authorities in each of the provinces and territories of Canada but has not yet become final for the purpose of distribution to the public. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale or any acceptance of an offer to buy these securities in any province or territory of Canada prior to the time a receipt for the final prospectus or other authorization is obtained from the securities commission or similar authority in such province or territory.

A copy of the preliminary prospectus may be obtained from any of the above-mentioned agents.

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For more information, please visit www.cclcapitalmarkets.com or contact:

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