

HSBC HOLDINGS PLC
Form 6-K
June 17, 2008

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a - 16 or 15d - 16 of

the Securities Exchange Act of 1934

For the month of June, 2008

HSBC Holdings plc

42nd Floor, 8 Canada Square, London E14 5HQ, England

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F).

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934).

Yes..... No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-.....).

17
June 2008

**HSBC FORMS
UK**

CARD PROCESSING

JOINT VENTURE WITH GLOBAL PAYMENTS INC

HSBC Bank plc and Global Payments Inc., a leading electronic transaction processor, will establish a joint venture company to build the bank's

point-of-sale card payments business.

HSBC processes card payments for

UK

merchants across

135,000 stores

and outlets. The two companies, which already have a joint venture for card payments processing in

Asia

, aim to grow this customer base and provide a wider range of card payments solutions for customers.

The new company,

HSBC Merchant Services Limited, will be

51 per cent owned by Global Payments and 49 per cent owned by HSBC Bank plc

and headquartered in Leicester

. Under the agreement, HSBC will transfer its existing

UK

card processing business to Global Payments

for a consideration of

US\$439 million and, pending regulatory

approval, plans to complete the deal within two months. For the calendar year 2007, HSBC's merchant acquiring

business in the

United Kingdom

generated revenue of approximately

US

\$229 million (£114 million).

HSBC's 400 card processing staff will become employees of Global Payments. No redundancies are expected.

Alan Keir, HSBC's Group General Manager, Commercial Banking, said

: "The creation of HSBC Merchant Services

builds on our partnerships

with Global Payments in Asia and

North America

Through the combination of HSBC's extensive business customer franchise, and Global Payments' experience in transaction handling, HSBC Merchant Services will offer a compelling proposition

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HSBC and Global Payments also have sale-and-referral agreements in the

US

and

Canada

Global Payments is one of the world's largest transaction processors and offers worldwide, world-class electronic transaction processing services.

Paul R

Garcia, Chairman, President and Chief Executive Officer of Global Payments, said:

"We are thrilled that HSBC, one of the world's most respected financial institutions, has agreed to expand its relationship with Global Payments into the United Kingdom

. We expect to focus on growing the customer base by providing an expansive range of card payment solutions. Longer

term, with the adoption of the Single Euro Payments Area initiatives, we expect to be in an excellent position to provide seamless acquiring services to merchants throughout Europe

."

HSBC and Global Payments have also agreed to a

10-year marketing alliance in which HSBC will refer customers to the joint venture for payment processing services in the UK

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Notes to editors:

1. HSBC Bank plc

HSBC serves 15.6 million customers in the UK

and employs more than 40,000

UK staff. HSBC is

Britain

's most recommended big bank. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc, and a member of the HSBC Group.

2. Global Payments Inc.

Global Payments Inc

. is a leading provider of electronic transaction processing services for consumers, merchants, Independent Sales Organizations (ISOs), financial institutions, government agencies and multi-national corporations located throughout the United States, Canada, Latin America, Europe and the Asia-Pacific region. Global Payments offers a comprehensive line of processing solutions for credit and debit cards, business-to-business purchasing cards, gift cards, electronic check conversion and check guarantee, verification and recovery including electronic check services, as well as terminal management. The company also provides consumer money transfer services from the United States

and Europe to destinations in Latin America,

Morocco

, and the

Philippines

.

. HSBC Holdings plc

HSBC Holdings plc serves over 12
8

million customers worldwide through around 10,000 offices in 83 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa

. With assets of some US\$2,354 billion at 31 December

2007, HSBC is one of the world's largest banking and financial services organisations. HSBC is marketed worldwide as 'the world's local bank'.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HSBC Holdings plc

By:

Name: P A Stafford

Title: Assistant Group

Secretary

Date: June 17, 2008