

«Logo»

«LOB_Return_Address»

«First_Name» «Last_Name»

«Street_Address»

«City», «State» «Zip»

January 31, 2013

«GreetingLine»

We recently became aware of an incident where an employee with HSBC inappropriately accessed information relating to your account with HSBC Bank USA or one of its affiliates beginning early last year. As a result of this incident, your personal information may have been exposed to a third party. This information could have included your name, social security number, personal identification type and number (i.e. driver's license and number), phone number, account number, and account type. HSBC takes this very seriously. The result of our investigation has been provided to law enforcement and no delay in advising you has been caused by law enforcement notification. The security of your information is very important to us and we recommend that you take the following steps to mitigate your risk of identity theft.

We recommend that you monitor your account transactions for any unauthorized activity and contact us if any is noticed. We recommend you place a fraud alert on your credit file. A fraud alert tells creditors to contact you before they open any new accounts or change your existing accounts. Call any one of the three major credit bureaus. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts. All three credit reports will be sent to you, free of charge, for your review.

Even if you do not find any suspicious activity on your initial credit reports, the Federal Trade Commission (FTC) recommends that you check your credit reports periodically. Victim information sometimes is held for use or shared among a group of thieves at different times. Checking your credit reports periodically can help you spot problems and address them quickly.

- Experian at 1-888-397-3742 or www.experian.com/consumer
- Equifax at 1-800-525-6285 or www.equifax.com
- Trans Union at 1-800-680-7289 or www.transunion.com

If you find suspicious activity on your credit reports or have reason to believe your information is being misused, call or contact your local law enforcement and file a police report. Get a copy of the report; many creditors want the information it contains to absolve you of the fraudulent debts. You also should file a complaint with the FTC at www.ftc.gov/idtheft or at 1-877-ID-THEFT (877-438-4338). Your complaint will be added to the FTC's Identity Theft Data Clearinghouse, where it will be accessible to law enforcers for their investigations.

We recommend that you periodically obtain credit reports from each of the three nationwide credit reporting agencies and review them for any information relating to fraudulent transactions. You should remain vigilant over the next twelve to twenty-four months and promptly report any incidents of identity theft to HSBC and to the major Credit Bureaus.

As a resource for consumers, the Federal Trade Commission (FTC) has a website dedicated to identity theft issues. Please visit the FTC's website at <http://ftc.gov/bcp/edu/microsites/idtheft>. If you do not have Internet access, call the FTC's Identity Theft Hotline, toll-free: 1-877-IDTHEFT (438-4338); TTY: 1-866-653-4261; or write: Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

At our expense, «LOB» would like to offer you a free one year subscription to ITAC Sentinel[®], a credit monitoring and identity theft protection service. ITAC Sentinel provides essential monitoring and protection of not only credit data, but also monitors Internet chat rooms and newsgroups and alerts you if your Social Security number, credit cards, and bank account numbers are found in unsecure online locations. This program is provided by Intersections Inc. (NASDAQ: INTX), a leading provider of consumer and corporate identity risk management services.

If you wish to take advantage of this monitoring service, you must enroll within 90 days.

To activate this coverage please go to the Web site* listed below and enter the redemption code. The redemption code is required for enrollment.

Web Site: www.itacsentinel.com/alert
Redemption Code: «Code_Assigned»

RESTRICTED - «Letter_Edition»