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HSBC AWARDS \$90,000 FINANCIAL EDUCATION GRANT TO HOUSING OPPORTUNITIES MADE EQUAL

RICHMOND, Va., and PROSPECT HEIGHTS, Ill. –HSBC North America Holdings, Inc. (NYSE: HBC) today announced it has awarded a \$90,000 grant to Housing Opportunities Made Equal to fund the Richmond-based not-for-profit organization's financial literacy and first-time homebuyer programs.

The grant will fund a series of workshops and counseling sessions which will help more than 650 low-income families learn how to manage their money and credit and become successful renters and long-term homeowners, as well as providing print and on-line information on credit and money management to an additional 3,000 households.

The HOME grant is one of more than \$1 million in financial education grants to 12 not-for-profit organizations around the country, supporting personal finance, homeownership and credit management training to tens of thousands of individuals and families in seven states and the District of Columbia.

Individual grants, awarded to organizations in Arizona, California, Illinois, Nevada, Ohio, Texas, Virginia and the District of Columbia, range from \$70,000 to \$108,000. Programs supported include direct training and assistance for first-time homebuyers, financial education training for women, and support for personal finance courses by faith-based organizations.

“In several surveys commissioned by HSBC, consumers have said they are concerned about matters of personal finance and savings. HSBC’s financial education grant program is designed to provide individuals and families with the information they need to make decisions with confidence,” said Loretta Abrams, HSBC’s vice president of consumer affairs. “We believe that our support of organizations that are leaders in their communities will open doors to financial security and homeownership for thousands of people.”

Grants have been awarded as follows:

- **Chicago, Ill. – A \$70,000 grant to La Casa Norte** will fund a financial literacy curriculum and regularly scheduled workshops in Spanish and English on banking and budgeting, credit management, and homelessness prevention and intervention. A Youth Series and a once-a-year tax preparation workshop will be administered as well. This grant will enable La Casa Norte to serve an additional 650 individuals in the coming year.

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- **Chula Vista, Calif.** – A \$70,000 grant to South Bay Community Services will fund programs to inform 700 families living in the organization’s affordable and transitional housing and clients of the *Community Services for Families* program about banking and savings accounts. Additionally, at least 100 families eligible for the Earned Income Tax Credit will receive free tax return preparation.
- **Columbus, Ohio** – A \$95,000 grant to the Mid-Ohio Regional Planning Commission will fund the expansion of outreach programs to nearly 300 households who will receive free pre-purchase homebuyer education, and an additional 278 households who will receive post-purchase and default-avoidance counseling for up to 18 months. MORPC expects to provide outreach programs and financial information to 4,000 individuals. The 2006 grant is the second HSBC grant to MORPC.
- **Dallas, Texas** – An \$80,000 grant to FAIM Economic Development Corporation will fund financial literacy sessions and workshops for 3,000 participants within predominately black churches in the area. The organization’s community and network expansion initiatives include education and social services. The 2006 grant is the second HSBC grant to FAIM EDC.
- **Las Vegas, Nev.** – A \$70,000 grant to Nevada Fair Housing Center will fund the expansion and upgrade of the organization’s computer-based financial education program, which gives consumers an income and expense analysis, asset review, and credit analysis. The grant will help the organization reach 1,656 individuals and families.
- **Los Angeles, Calif.** – A \$100,000 grant to the Pacific Asian Consortium in Employment (PACE) will fund financial education and asset-building assistance for low-income residents in PACE’s primary service areas. To achieve these objectives, PACE will enroll more than 600 low-income residents in a variety of training programs to be conducted in various languages and locations in greater Los Angeles.
- **Oakland, Calif.** – An \$80,000 grant to the AnewAmerica Community Corporation will enable the *Family Assets: Community Wealth* program to provide 2,000 families and 6,000 individuals with six seminars on financial literacy and asset-building capacity. The organization also intends to reach 150,000 households in the Hispanic, Asian and other minority communities who will receive introductory financial education through television and radio programming.
- **Phoenix, Ariz.** – A \$108,000 grant to the Phoenix office of the International Rescue Committee will fund 60 workshops on banking and budgeting, credit, investing, homeownership, understanding employment benefits and tax education and preparation. This financial training program will assist 200 individuals. The 2006 grant is the second HSBC grant to IRC.
- **Phoenix, Ariz.** – A \$75,000 grant to Money Management International will fund financial education workshops and online resources reaching 7,000 individuals. The 2006 grant is the second HSBC grant to MMI.

- **Tucson, Ariz. – A \$90,000 grant to the Primavera Foundation** will fund Spanish- and English-language homeownership and financial literacy workshops for as many as 300 families. The organization also will offer one-on-one intake services and credit counseling sessions, initiate a post-purchase counseling program for families who recently have become homeowners, and implement additional financial literacy workshops for as many as 100 families. The 2006 grant is the second \$90,000 grant in a two-year commitment by HSBC.
- **Washington, D.C. – An \$80,000 grant to Lydia's House** will fund financial education, tax preparation and homeownership counseling for 1,000 low-and moderate-income women and girls. Lydia's House educational programs will address different learning styles, incorporating online, print, group financial and homeownership education and one-on-one counseling. The 2006 grant is the second HSBC grant to Lydia's House.

A survey commissioned by HSBC in 2005 underscored the need for financial education programs such as those funded by the company's grant program. Among the findings:

- Only 26 percent of those surveyed said they stick closely to their budget.
- More than 80 percent said they were concerned about the level of their savings.
- Nearly one-third of consumers said they did not have any savings to cover basic living expenses if an unexpected life crisis occurs.

Representatives of each of the grant recipients will attend HSBC – North America's annual CAFE (Celebrating Achievements in Financial Education) networking program in Chicago May 25-26. The company is awarding organizations that provide national leadership in financial education, homeownership training, and credit and personal money management. Among the speakers are nationally known authors and consultants Andrew Zolli and Dr. Gary Bradt.

HSBC's financial education grant program is managed by the Center for Consumer Advocacy, established in 2003 to manage the company's financial education and housing programs and community outreach initiatives. The center also awards grants to educational institutions and maintains the personal financial education Web site YourMoneyCounts.com.

About HSBC - North America

HSBC - North America comprises all of HSBC's U.S. and Canadian businesses, including the former Household International businesses. The company's businesses serve nearly 60 million customers in five key areas: personal financial services, consumer finance, commercial banking, private banking and corporate investment banking and markets. Financial products and services are offered under the HSBC, HFC and Beneficial brands. For more information, visit www.hsbcusa.com.

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