

The 'How To' Guide To Managing Your Money

Make the most of your finances



HSBC 

The world's local bank



getting started

welcome

Have you been considering a new bank account, buying a home, or perhaps starting to invest? If so, you have some decisions to make about the types of products and services that would best suit your needs.

Managing your finances isn't always easy – especially if it's new to you. But you need not worry. With this useful guide, you'll be well on your way to gaining a better understanding of the financial choices available to you.

So why not set aside some time to read through this guide. For your convenience, it's available in English and Spanish versions. Topics include...

- Managing your bank account(s)
- Borrowing money
- Buying a home
- Beginning to invest
- Choosing insurance

If you need additional information, our HSBC representatives are always happy to help. Just drop by your local HSBC branch or call **1-800-975-HSBC** (1-800-975-4722). You can also visit us at **us.hsbc.com**.





managing your bank account(s)

managing

Opening a new account?

You're likely already familiar with many of the most common banking products and services, but a few reminders never hurt – especially when it comes to something as important as managing your money. If you're thinking about opening a new account, here are a few things to consider:

- Is conventional branch banking right for you?
- Will you be using an ATM card versus a debit card?
- Are you familiar with online and telephone banking options?

These and other topics will be covered in detail when you visit our web site at us.hsbc.com.

Selecting the right account

You've found the perfect place to keep your money. Now, you must choose the account that best suits your needs. There are many different types of accounts available – some geared toward savings or checking and others geared toward different groups of people, like students. Here are some things to keep in mind when exploring your options:

1. Will you need a checking account or a savings account?

If you'll be using your account mostly for day-to-day things – like groceries, paying bills and buying gas for your car – then we suggest a **checking account and debit card** that can be used to take care of your daily transactions.

Otherwise, if your primary goal is to save money, then choose a savings account or a Certificate of

Deposit (CD), which is great if you're saving for something down the road – like a vacation, car or college tuition.

With a CD, your money will grow at a competitive, fixed interest rate. In fact, CDs offer some of the best interest rates on your money. The only drawback is that you must lock in your money for a specified period of time – anywhere from seven days up to 10 years.

If you want to save gradually over the long term, consider a systematic savings program. For usually as little as \$25 a month, you can establish an automatic savings routine to build up your nest egg.

Savings accounts, CDs and all other deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC). You can find out more about federal deposit insurance at www.fdic.gov.

Be sure to read our section on investing for additional options that could possibly earn you a better rate of return.

2. How much money do you plan to keep in your account at any time?

Most banks will charge you a fee for the convenience of having one of their accounts. Some offer relationship checking accounts, where balances from your other accounts at the same bank may be combined to meet minimum balance requirements. Check your bank's minimum balance requirements to see if you qualify for a monthly fee waiver.

3. How many checks will you be writing each month?

Keep in mind, some bank accounts limit the number of checks you may write and transfers you can make, by phone or via online banking. They may also charge fees whenever you exceed these limits. If you choose to pay your bills via telephone or online banking, you can significantly reduce the number of checks you write – and even save money, depending, of course, on the fee charged for this service.

Things like telephone and utility bills, as well as credit cards and more, can also be paid directly from your account via direct debit with automatic transfer authorization – without having to write any checks.

Just ensure the account you're thinking of accommodates your needs.

4. Which banking services will you use?

- **Online banking**

Do you have a computer with Internet access? If so, you might want to consider an account that includes unlimited online banking.

- **ATMs**

Keep in mind, your bank will probably charge you every time you use another bank's ATM. So, if you're going to be using ATMs frequently, check that your bank has an ATM located close to where you live, work and play.

- **Telephone banking**

Will you ever bank by telephone? This is another convenient option that enables you to do your routine banking transactions and requests with one automated phone call.

- **In-branch banking**

If you plan to do some or all of your banking in-branch, then be sure your bank has a sufficient number of locations nearby for your convenience.

With answers to these questions in mind, you're ready to choose your new bank account. If you have access to the Internet, why not visit bank Web sites to compare fees and minimum balance requirements? Otherwise, you can call each bank's 1-800 number or drop by local branches to get this information.

HSBC offers a wide range of bank accounts – perfect for your every need.

Please visit your nearest HSBC branch or talk to one of our HSBC representatives at **1-800-975-HSBC** (1-800-975-4722). You can also visit us.hsbc.com to view the wide variety of accounts we have to offer. We'd be delighted to help you find the services that are right for you.





borrowing basics

borrowing

Perhaps you're considering a loan, or a line of credit, and you're unsure of the differences between the two. Or maybe you're thinking of applying for a credit card, but with so many options and features, you're not sure which one is right for you.

When it comes to borrowing money – whether by loan, line of credit, or credit card – you'll find the basic information right here. And remember, you can always get additional information at your bank or online.

Types of credit

The most common types of credit offered by lenders are **personal loans** and **lines of credit**. And, of course, there are **credit cards** – a form of line of credit. Here are the differences:

- **Personal loans** offer a specified amount of money that will be paid off with interest in equal monthly payments over a set period of time – usually one or more years.
- **Lines of credit** provide ongoing access to a maximum amount of borrowed funds – called a **credit limit**. You'll receive a credit card or checks to access your line of credit for purchases or cash – up to the maximum credit limit. Each month, you're required to make a payment to your line of credit – either paying it off in full or just paying the monthly minimum. Monthly interest is charged based on the average daily balance owed. Your line of credit can also be linked to your checking account for overdraft protection.
- **Credit card** accounts are lines of credit that enable you to make purchases on your card. As you shop around for a credit card, you'll find that fees, interest rates and features vary from one card to the next. You can use your card to make purchases

anywhere it's accepted and for anything you need – up to your credit limit (which is based on your credit history, income and other factors). Each month, you'll receive a statement that includes a description of your purchases, your balance, your minimum monthly payment, and the due date. You have the option to pay your balance in full or just pay the monthly minimum.

- **Home equity loans and lines of credit** are secured by the value of your home, which means you can take advantage of interest rates that are usually lower than those found with most other kinds of credit. With a home equity loan, you get a one-time lump sum of money that is paid off over a set period of time, typically with a fixed interest rate and the same payment each month. By comparison, a home equity line of credit has a revolving balance, so you can borrow money as you need to, up to a certain amount. And you only pay interest on the amount you borrow.
- **Student loans** are loans offered to both parents and students to help pay for tuition and other college expenses. There are several different types of student loans available. Some charge interest from the time of the loan disbursement, while others start to charge interest when the loan repayment period begins.

HSBC offers a range of product options to meet your borrowing needs.

Please visit your nearest HSBC branch or talk to one of our HSBC representatives at **1-800-975-HSBC** (1-800-975-4722). You can also visit [us.hsbc.com](https://www.us.hsbc.com) to view the loans, lines of credit and credit cards that we have to offer. Looking for a student loan? Visit our student center at [us.hsbc.com/personal/student](https://www.us.hsbc.com/personal/student).

Some words about interest

With loans, lines of credit and some credit cards, you may have the option to choose a fixed or variable interest rate. If you go with the fixed rate, you'll always pay the same rate of interest on your balance. If you choose the variable rate, you can save on interest if rates go down, but might pay more if rates go up. Variable rate lines typically carry a lower initial rate than fixed-rate loans.

When shopping around for the best interest rate, you will likely come in contact with the term 'APR'. This is the annual percentage rate, which is a number used to state the interest rate and certain fees that will be charged on the loan. It is commonly used to compare loan programs between different lenders. The Federal Truth in Lending law requires financial companies to disclose the APR when they advertise an interest rate for personal credit accounts.

Applying for credit

The application

Before a lender approves any sort of loan, line of credit or credit card, you'll be asked to complete an application requesting detailed information – including where you live, where you work, previous credit experiences, income and more. You can usually complete a credit application by phone, online, in person or by mail. For the convenience of our customers, HSBC offers Spanish translation of its credit applications.

The approval process

Once your information has been received, the lender will review it to determine your eligibility for the credit you have requested. The lender may also obtain a credit report from a **credit reporting agency**,

where your credit history is kept on file. Both your application and credit history will be examined to determine if your application is accepted (and credit granted), or declined (and credit denied). You'll usually have the answer in just a couple of days.

If you've been granted credit, we congratulate you. Just remember to use your credit wisely and to borrow only what you need. After all, careful use of your credit now will determine if you're eligible for future credit.

You'll find tips on managing your credit in the next section. And, if you've been denied credit, read on for ways to fix a poor credit rating.

Managing credit

It's virtually impossible to avoid debt as you go through life. Paying cash up front for a car, a house or a college education is extremely difficult. The important thing is to know how to manage your debt.

Just be sure to borrow only an amount for which you can afford the monthly payments. And **always make at least the monthly minimum payment on time.**

If you can't do this, be sure to talk to your creditors and ask about alternate payment options. Work together to develop a mutually agreeable repayment plan. Do whatever you can to avoid having a missed payment on your credit record.

One of the best ways to manage your cash flow – including debts and expenses – is by following a monthly budget. See the following page for instructions and an example of how to create a monthly budget.





Establishing a credit history

Any time you borrow money – whether via a loan, line of credit, bank or store credit card, mortgage, or the like – it is entered as part of your credit history. If you don't have a credit history, now is the time to start establishing one.

Here are some things you can do:

- Obtain a secured card from your bank. This is a normal credit card that can be used up to the amount you have in your savings account.
- Obtain a credit card with help from a cosigner (your spouse or your parents).
- Apply for a retail or gasoline credit card (these are usually easier to qualify for).

From there, create a debt on your new card and, as your monthly bills come in, be sure to either pay off your balance in full or make at least the minimum monthly payments.

Dealing with poor credit

If you're concerned that your debt has had a negative effect on your credit rating, here are some steps you can take to try to improve it:

- Contact the national credit bureaus for copies of the information in your credit bureau file. Check for accuracy and, if something is incorrect, have it fixed.
- Save up to repay past creditors, whenever possible. A delayed payment reflects better on your credit history than debts not paid at all.

- Do not take on additional debt, unless absolutely necessary. And make sure you can afford to make the payments on time.
- Do not make purchases on credit solely to rebuild your credit rating.

You can obtain a copy of your credit report by contacting the credit reporting agencies in your Yellow Pages. For your convenience, below are the contact details for the three major credit bureaus:

Equifax

1-800-685-1111
www.equifax.com

Experian

1-888-EXPERIAN
www.experian.com

Trans Union

1-800-916-8800
www.transunion.com

Creating a monthly budget

- Here's how to start: Over the next couple of months, keep records of all your money coming in (your income) and going out (your expenses). Certain expenses – your basic necessities – occur each month, such as rent, food, telephone, electricity and transportation. Other expenses – like vacations, entertainment and gifts – will vary.
- With the information you've gathered from step 1, you can create a template for your budget. You can use the one that follows as a guideline and adapt it to your needs by adding or removing items as necessary. Once your budget is set up, enter the actual expenses as they occur. Are you spending more or less than you budgeted? Take this into consideration for the next month's budget.
- When you have a good record of where your money is going, check to see if you can fit savings into your budget. Perhaps it would help to create a savings goal – such as a new car, a down payment on a home or a vacation.

MONTH _____

INCOME	Wages	\$
	Government	\$
	Gifts	\$
	Other	\$
	Total Income	\$

EXPENSES	Rent/Mortgage	\$
	Groceries/ Household Items	\$
	Car Payment	\$
	Gas – Car	\$
	Car Repairs	\$
	Public Transportation	\$
	Insurance	\$
	Savings	\$
	Student Loan	\$
	Electric Bill	\$
	Gas Bill	\$
	Water Bill	\$
	Cable Bill	\$
	Telephone Bill	\$
	Credit Card #1	\$
	Credit Card #2	\$
	Loan #1	\$
	Loan #2	\$
	Clothing	\$
	Child Care	\$
	Medical	\$
	Dental	\$
	Restaurants	\$
	Movies	\$
Other	\$	
Total Expenses	\$	

	Balance (Total Income – Total Expenses)	\$
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buying a home

home

You've always dreamed of owning a home. You've found the perfect neighborhood. And now, you're ready to search for that perfect house. Where's the best place to start?

First, ask yourself these questions:

- Can you afford your own home?
- Have you considered the additional costs that a house requires – like repairs to plumbing or a leaky roof?
- With most lenders requiring between 5% and 20% of the purchase price as a down payment, do you have enough money saved for a down payment?
- Is it costing you more to rent than own in your area?

If you've answered 'yes' to these questions, then you're well on your way to becoming a homeowner.

Getting ready to buy

Before you even begin looking for a house, ensure your credit history is as clean as possible. That means taking care of any outstanding debts. You might want to request a copy of your credit bureau file to ensure it is accurate. Please refer to the section on borrowing basics in this guide for phone numbers and online addresses of the three major credit bureaus.

Next, you may want to find a good real estate agent who understands your interests and can help you throughout the buying process. Ask friends for referrals or look in your local newspaper for agents who work in the area where you want to buy. Some real estate agents typically represent the seller. So you may want to find a buyer's agent to represent you.

You may also need a lawyer, as there is a great deal of legal work involved in buying a house – including reviewing the purchase contract and reviewing the past ownership of the property. While on the topic of lawyers, be sure to ask up front about your legal fees. These will be due at the time of your house closing.

Shopping around for mortgages

A **mortgage** is a loan to help you finance your home. You will most likely choose your mortgage based on three key things:

- **Interest rate** – a lower rate is always better.
- **Term** – this is the length of time you'll have your mortgage.
- **Fees**

With so many types of mortgages – and so many places to get your mortgage – your best approach is to shop around to compare mortgage rates, terms and features. You can do this easily on the Internet or by looking in your local newspaper.

You might also consider using the services of a mortgage broker – someone who will assist you in finding a lender. Be sure to obtain a written statement from your broker that identifies the fees for the broker's services. These fees may be paid by you, or by both you and the lender.

Choosing the right mortgage

Are you willing to take a bit of risk in hopes of having a lower interest rate? Or, would you prefer the safety of locking into a fixed rate? These, and many other questions will come to mind as you research the various types of mortgages.

- **Fixed Interest Rate** – You're locked into a monthly payment amount that will remain constant throughout the life of the mortgage. Even if interest rates rise or fall, you'll always pay the same fixed amount. But keep in mind that property insurance and taxes may be added onto your mortgage payment, which will often result in changes to your payment amounts each year.
- **Adjustable Rate Mortgage (ARM)** – The interest rate will rise and fall based on a financial index. Lenders typically offer an introductory rate that is lower than rates offered on a fixed-rate loan. Your lender should provide you with a written statement indicating how

often the rate will change and the index on which the changes are based.

- **Hybrid ARM** – For the first five to 10 years of your mortgage, you'll have a fixed rate. After that, your mortgage will convert to an adjustable rate for the remainder of the term.

If you'd like a lower interest rate – and are planning to stay in your home for at least five years – consider paying additional points at the time of your closing. Points may be paid at closing, in exchange for a lower interest rate throughout the term of your loan.

Affordable housing programs

Many **affordable housing programs** are available to help first-time homebuyers, or those with low- to moderate-income levels. Check with your financial institution for details on the programs they offer to help you fulfill your dream of home ownership. Many offer government-sponsored loans. Some of the other benefits often include lower-than-standard down payments, minimal out-of-pocket expenses and competitive interest rates, expanded qualifications, and more.

Getting pre-qualified and preapproved

Before you start looking for a home, you should have a lender **pre-qualify** you. This simply means your lender will **estimate** the maximum amount of money for which they may approve a mortgage. This will help you determine your price range.

Once you decide where to get your mortgage, have your lender **preapprove** you for a mortgage. This means your lender conditionally agrees to **approve** your mortgage even before you have selected your home. With this information in hand, you can confidently look for – and bid on – houses within your budget.

Visit your nearest HSBC Mortgage Corporation (USA) office to apply for a mortgage preapproval.

Putting in a bid

Once you're ready to submit a bid on a house, be sure to consult your real estate agent. They are experts who can help you immensely throughout the buying process. They should be able to answer all your questions and guide you toward making a good offer.

Some things to keep in mind when bidding on a house include:

- What is the neighborhood like?
- Are you close to work or public transportation?
- Do the schools meet your needs?

Once you and the seller have agreed on a price for the house, there will be a sales agreement to sign. Always have your real estate agent and your lawyer review and approve this document. You should also consider having a home inspection to evaluate the structural and mechanical condition of the property.

Mortgages from HSBC

Whatever you're looking for in a mortgage, you'll find it at HSBC. We offer many attractive and affordable mortgage options.

To find out more about mortgages from HSBC, please talk to one of our HSBC representatives at **1-800-537-8705** or visit **us.hsbc.com**, where you can use our online calculators for things like finding out how much you could borrow, how much your payments will be, and more. You can also drop by your local HSBC Mortgage Corporation (USA) office. Visit **us.hsbc.com/personal/mortgage/locations.asp** to find the one nearest you.

Mortgages offered by HSBC Mortgage Corporation (USA), a wholly owned subsidiary of HSBC Bank USA.





beginning to invest

Are you in a position to start saving for your retirement, a home down payment, or perhaps looking for tax-saving strategies?

There are many investment products available to help you meet your short-term and long-term goals. That's where investment professionals can help. They can guide you through the maze of stocks, mutual funds, bonds, annuities, Individual Retirement Accounts (IRAs) and other investment products to find the ones best suited to your needs.

Your financial institution would be happy to explain your investment options to you. In the meantime, here's an overview of some of the more popular ways to invest your hard-earned money.

Stocks

What is a stock, exactly? A company sells stocks as a way to raise capital to grow its business. Stock can be purchased through a stockbroker or brokerage service. When you buy stock, you effectively own a portion of that business. The value of a stock is based on market selling prices on any given day.

As a stockholder, you may be entitled to receive dividends as a return on your investment. Dividends are cash payments made by a company to its stockholders. And they are paid out if the company makes a profit.

Over the long term, stocks have historically outpaced inflation of other investments. But over the short term, stocks can be very risky. If you're searching for a potentially steadier way to invest your money, perhaps it's better to choose another investment product – such as a mutual fund. (Please read on for more about mutual funds.) Or, you could diversify your portfolio with stocks as well as other investment products.

Not FDIC insured. No bank guarantee. May lose value.

Mutual Funds

Mutual funds pool the money of many investors with common financial objectives, usually offering lesser risk than investing in a single stock or bond. This makes them an attractive way to invest for a long-range financial plan.

Like stocks and bonds, your mutual fund account value will vary depending on market conditions and fluctuations, where past performance is not indicative of future returns. However, because mutual funds include stocks and bonds from numerous companies, they are, by their very nature, diversified.

Here's another nice thing about mutual funds: Should you ever choose to withdraw your funds, your money can usually be made available to you in a short period of time. However, redemptions may be more or less than the initial investment.

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Bonds

Bonds generally deliver competitive returns in a tighter and less volatile range than stocks. The value of bonds will fluctuate with changes to interest rates. Basically, when you purchase a bond, you're lending money to a corporation or government to help fund projects. In return, most bonds make regular interest payments on the money you loaned.

There are many different types of bonds available, including:

- **Municipal Bonds** – an investment that can provide an income free of federal and, in many cases, state and local income taxes.
- **US Government Bonds** – investments such as treasury bonds, bills and notes that offer the lowest risk of any fixed-income investment.
- **Corporate bonds** – long-term debts of major US and worldwide corporations.
- **And more**

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Annuities*

If you're looking for a tax-deferred and versatile way to invest, consider annuities. They offer competitive fixed or variable interest rates, are tax free until you withdraw your funds, and can virtually guarantee you an income for life. You can also arrange for a personal distribution schedule based on your contributions.

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Investing for your retirement

It's never too soon to start planning for your retirement. A well designed retirement plan is key to your future financial security. Be sure to consider the many investment alternatives.

Individual Retirement Accounts* (IRAs) allow you to invest for the future. What's more, you could qualify for a tax contribution. They can be opened and funded without employer involvement; plus, they offer a variety of investment options and special tax advantages.

- **Traditional IRA*** – Your contributions may be partially or fully tax deductible, and your earnings are not subject to federal income tax until they are withdrawn. Funds from a Traditional IRA can be withdrawn penalty free for a qualified first home purchase, certain higher education expenses, qualifying medical expenses and more.
- **Roth IRA*** – Your after-tax contributions are not tax deductible, but by meeting certain requirements, you can withdraw your money completely tax free. A Roth IRA, unlike a Traditional IRA, has no maximum age limit for making contributions and no mandatory age when you must begin taking withdrawals.
- **401(k) Plan*** – This is a tax-deferred investment plan offered through employers. Under this type of plan, employees invest a percentage of their own pretax income to be used for retirement. The earnings grow tax deferred until they are withdrawn.

Investing for your children's education

Ensure your child's future with a **529 College Savings Plan**. Your investment will grow without any federal income tax on the earnings, and it can be withdrawn tax free if used for qualified education expenses.

Trust the investment professionals

Choosing how to invest your money is an important decision. HSBC Brokerage offers a wide range of investment products to help you meet your goals. Please talk with one of our HSBC Brokerage representatives at **1-800-662-3343** or visit **us.hsbc.com**, where you can use our online investment calculators to help you make your savings and investment decisions. You can also drop by your local HSBC branch.

*Withdrawals prior to age 59½ may be subject to penalties.

Securities and annuities are provided by Registered Representatives and Insurance Agents of HSBC Brokerage (USA) Inc., member NASD/SIPC. Insurance products are also made available through HSBC Insurance Agency (USA) Inc. Both companies are wholly owned subsidiaries of HSBC Bank USA and indirectly wholly owned affiliates of HSBC Holdings plc.





choosing insurance

Life is full of surprises and risks that are simply beyond your control. While you can't predict when something is going to happen, you can take steps to ensure you and your loved ones are protected after it happens. That's the fundamental reason why people purchase insurance for their homes, cars and lives.

Here are some guidelines to help you select the insurance you need.

Life Insurance

What would happen to your family if you were suddenly no longer alive to provide for them? Would they still be able to afford even the basics – like food, clothing, rent or mortgage payments?

Choosing life insurance is a big decision – and one that takes a great deal of consideration. Key life events – such as getting married, buying a home or having a baby – usually trigger the decision to get life insurance. After all, it can be a reliable way to protect your loved ones from the unexpected.

How much coverage will you need? And what type of coverage is best? The answers are determined with an evaluation of your most important financial obligations. Here are some things to consider:

- Mortgage debt
- Future college expenses for your children
- Ensuring a continuing income for your family
- Having enough money to cover estate taxes

Two basic types of life insurance include term life and whole life. Both are briefly described herein. And remember this: As you research insurance companies and products, you'll discover there are many variations of each. So be sure to consult an insurance professional. They can guide you through the maze of products available to find the one that's right for you.

Term Life

If you're looking for affordable coverage – or coverage for something specific like college tuition fees – then term life insurance will provide you with the most coverage for your money. It's great for young people getting life insurance for the first time.

Term life offers you protection for a specific period of time, usually from five to 30 years. Should you pass away during your term, your chosen beneficiary will receive the benefit.

Whole Life

If you want permanent protection over the course of your lifetime, choose whole life insurance. Also, a whole life policy doubles as an investment, building cash value that you can borrow against. It costs more than term life insurance, yet it provides you with a lifetime of coverage. Your premium will remain constant over the life of the policy, so you're better off to get this insurance when you are young and healthy. After all, the older you get, the higher the price you'll pay for it.

Choose life insurance from HSBC Insurance Agency (USA) Inc.

HSBC Insurance offers a wide range of life insurance products to suit every need. Visit us.hsbc.com/personal/insurance/life.asp to find out more. Also, be sure to use our online Instant Quote tool to determine the amount of life insurance you need.

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Auto Insurance

Auto insurance is legally mandatory in some states, including New York. And for good reason. Without it, could you afford costly medical bills for yourself or others if you were ever in an automobile accident? Or, would you have the money to pay for a new car if yours was severely damaged or stolen?

Those are just two reasons why you need automobile insurance. Here are some things to keep in mind to help you save money:

- Do you have an excellent driving record? You may be entitled to a **safe driver's discount**.
- Is more than one car insured with the same insurance carrier? Ask for a **multi-vehicle discount**.
- Is your homeowners insurance with the same company? Then you may qualify for a discount.
- Are there **safety devices** in your car, such as an alarm, air bags or antilock brakes? These could help you reduce premium costs.

Not only does HSBC Insurance offer competitive rates on auto insurance, but we're also proud to sponsor **Driver Safety Training Programs** at various New York State and Florida locations. These courses will teach you safe driving tips, plus you'll stand to save 10% on your automobile insurance for three years and benefit from reduced points on your driving record.

To find out more, visit us.hsbc.com/inside/community/driversafety.asp. For an instant online auto insurance quote, visit us.hsbc.com/personal/insurance/auto.asp.

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Home Insurance

Your home: It's much more than just a house or apartment. It's where you and your family live. It's also where you keep your possessions. In fact, you won't be able to get a mortgage without homeowners insurance. For these reasons, you need it. And even if you're not a homeowner, you should consider renters or tenant insurance.

Homeowners insurance will protect your house and its contents from risk of major hazards such as theft, fire and most other dangers – to the extent of the level of coverage you choose.

Your homeowners policy could also include additional coverage for valuables such as jewelry, computers, artwork and antiques.

Here are some tips for choosing a homeowners insurance policy:

- Know your home's **value** and **replacement cost**.
- **Shop around**, as different companies offer different prices and packages.

- **Don't choose insurance based on price alone.**

Choose a company you know and trust.

- Be sure to **know what is included in your coverage.**

You may need more coverage than is offered in a basic policy.

- **Ask for discounts.** Many companies will offer discounts if you are a low-risk customer, or if you have other products with them (such as your auto insurance).

To get a home insurance quote from HSBC Insurance, just call **1-888-HSBC-USA** (1-888-472-2872).

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Disability Insurance

Think of the strain that an illness or disability could place on you and your family. Luckily, you can opt for disability insurance to financially protect you and your loved ones from the financial hardships that could occur due to an illness or disability.

Long-term Care Insurance

This type of insurance can protect you and your family from losing your life savings to pay for needed services if you become chronically ill or infirm.

Payment Protection Plan

Having payment protection helps ensure that your financial obligations are paid in the event of your unemployment, disability or death.

To find out more, visit us.hsbc.com/personal/insurance/disability.asp.

Let HSBC Insurance take care of you

Let our insurance professionals tell you more about our wide variety of insurance products and services. Just call **1-888-HSBC-USA** (1-888-472-2872). Or, if you prefer, visit us.hsbc.com/personal/insurance. You can also visit your nearest HSBC branch.

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