



November 20, 2009

Department of Justice
Consumer Protection Bureau
33 Capitol Street
Concord, NH 03301
Attention: Attorney General

Re: Notification Pursuant to N.H. Rev. Stat. Ann. § 359

Dear Attorney General Delaney:

We are writing to provide you with written notification regarding the nature and circumstances of a recent breach of customer data.

On July 9, 2009, HSBC Taxpayer Financial Services, Inc., an Income Tax Refund Anticipation Loan Company, learned that upon filing its Chapter 13, bankruptcy proof of claim forms with customers personally identifiable information in a redacted format, certain proof of claim forms which were filed between May 1, 2007 and October 17, 2008 were viewable by certain computer users as a result of a deficiency in the software used to save imaged documents that were created during that time period.

The information for one New Hampshire resident was filed in this manner. The New Hampshire resident was notified of this breach on October 13, 2009 and a copy of the letter is attached. Additionally, in the letter the customers were offered a complimentary one year membership in PrivacyGuard®, which is a program that offers credit reporting, credit monitoring and identity theft protection.

In addition to notifying the customer, HSBC Taxpayer Financial Services Inc. has taken additional actions in response to this matter. More specifically, HSBC temporarily ceased using the software that created the redaction errors and customer's confidential information was manually redacted for a period of time. A new version of the software has been tested and approved as the method to use when filing electronic proof of claim forms. HSBC worked with all courts where unredacted proof of claim forms were filed and worked jointly to correct the unredacted proof of claim forms.

HSBC-North America
26525 North Riverwoods Boulevard, Mettawa, IL 60045

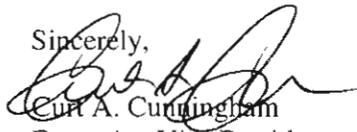
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If any further information is required pertaining to this notice please contact me directly at:

HSBC-North America
26525 North Riverwoods Boulevard
Mettawa, IL 60045

Sincerely,



Curt A. Curdington
Executive Vice President
Corporate Compliance

Enclosure

[HSBC LOGO]

October __, 2009

[Debtor Name and Address]

Re: Refund Anticipation Loan

Dear [Debtor Name]:

Please be advised that in connection with your recent bankruptcy action, there may have been an inadvertent information security breach disclosing your personal information with respect to your HSBC Refund Anticipation Loan. We want you to be reassured that HSBC has addressed the root cause of this data breach to prevent similar incidents from occurring in the future. This letter replaces the previous letter sent to you regarding a credit card, line of credit or mortgage.

Because your security is a prime concern of ours, we would like to extend to you a complimentary one-year membership in PrivacyGuard®, a program that offers credit reporting, credit monitoring, and identity theft protection, all in one. You will receive your enrollment materials in the mail in about 14 days.

If you wish, you may contact one or more of the major Credit Bureaus to place an alert on your credit file or obtain a free copy of your credit report. The contact information is:

- 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

We recommend that you periodically obtain credit reports from each nationwide credit reporting agency and have any information relating to fraudulent transactions deleted. We remind you to remain vigilant over the next twelve to twenty-four months and to promptly report 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. Visit this site for information on protecting yourself, enforcement actions, what to do if you have become a victim of identity theft, and to report a claim. 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. Be sure to call the Hotline to update your complaint if you have any additional information or problems.

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At HSBC, security has always been, and will continue to be a high priority. If you have any questions or concerns, please contact us at 1-877-660-7046. ▽