

September 12, 2006

MEMORANDUM

TO: Office of the Executive Secretary

FROM: Michael Phillips
Counsel, Legal Division

SUBJECT: Meeting between FDIC and HSBC Representatives Concerning the
Notice of Proposed Rulemaking; Risk-Based Capital Standards:
Advanced Capital Adequacy Framework (Basel II NPR)

On September 5, 2006, Chairman Bair, Vice-Chairman Gruenberg, members of their staff, and representatives from the FDIC's Division of Supervision and Consumer Protection and the Legal Division met with two representatives from HSBC – North America and HSBC Bank, USA, National Association (collectively, HSBC). At the meeting, the HSBC representatives provided the FDIC with their views of various issues involving the Basel II NPR, which was approved by the FDIC Board of Directors earlier on that date for publication in the Federal Register.

The representatives from HSBC were: David Gibbons, Senior Executive Vice President, Chief Risk Officer of HSBC-North America and Robert Butcher, Senior Executive Vice President & Chief Risk Officer of HSBC Bank USA, National Association.

Please place this memorandum in the public file for the Basel II NPR.