

2 October 2008

BANK OF BERMUDA LAUNCHES HSBC INSURANCE

Bank of Bermuda widened its financial services offering today with the launch of HSBC Insurance. Bank of Bermuda, in partnership with BF&M, is now offering customers home, home content, vehicle, marine, and credit and mortgage protection insurance under the brand name of HSBC Insurance.

Customers can now receive a quote and approval for the various insurance products on offer through the Bank network. Bank employees have undergone training and accreditation to allow them to sell insurance directly to clients rather than simply refer the business to a third party. The Bank's strategic partner, BF&M, retain management of the insurance products, underwriting, administering and handling claims. HSBC Insurance products have been specifically designed and customised to complement banking products such as loans and mortgages.

Bank of Bermuda Head of Insurance, Keith Jones, explained, "By offering insurance products through our bank network, we are not only increasing accessibility for customers but also improving convenience as insurance coverage can be purchased at the same time and in the same location as a mortgage or vehicle loan for example. This consolidates Bank of Bermuda's position as a full service financial provider where the Bank can provide a complete range of financial solutions to customers from traditional savings and chequing accounts to investment products and now insurance coverage."

John Wight, CEO and President of BF&M Insurance Group, said the partnership was a great opportunity for all parties involved, "We are delighted to be partnering with the Bank

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of Bermuda to assist them in finding insurance solutions for their customers. We were very proud to be selected as the Bank's partner for insurance and see this relationship as a win-win all around for the Bank of Bermuda, for the Bank's customers and for BF&M.”

The HSBC Insurance launch is part of a global insurance campaign entitled ‘Insuring your emotions’. The essence of the campaign is that insurance has more to do with protecting how people feel in terms of confidence and security rather than simply insuring their finances and possessions. As part of the launch, Bank of Bermuda staff will be at various locations around Hamilton handing out give-aways and information to raise awareness and knowledge of Bank of Bermuda’s new insurance offering.

Customers who are interested in knowing more about Bank of Bermuda’s insurance products are encouraged to come into any of our branches, call 296 SAFE or visit www.bankofbermuda/insurance for more information.

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Notes to editors:

1: The Bank of Bermuda Limited is the leading provider of fund administration, trust, custody, asset management and banking services in Bermuda. The Bank of Bermuda Limited is licensed to conduct Banking and Investment Business by the Bermuda Monetary Authority. Since 2004 it has been a wholly owned indirect subsidiary of HSBC Holdings plc. Further information on Bank of Bermuda can be found at www.bankofbermuda.com

2: The Bank of Bermuda Limited (“the Bank”) is acting solely as an Insurance Agent of the insurance company underwriting, administering and handling these insurance products pursuant to its Insurance Agent license issued by the Bermuda Monetary Authority (and not as an insurance agent for the customer) with respect to these insurance products. The Bank is not responsible in any way for the underwriting, administration or claims handling of these insurance products and does not accept any responsibility for such matters.

3: HSBC Holdings plc serves over 128 million customers worldwide through around 10,000 offices in 84 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of some US\$2,547 billion at 30 June 2008, HSBC is one of the world’s largest banking and financial services organisations. HSBC is marketed worldwide as ‘the world’s local bank’.

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