

**HSBC USA INC.
HSBC BANK USA, N.A.**

Fiduciary Committee Charter

(Adopted by the Board of Directors at a meeting held on May 7, 2009)

Membership

The Fiduciary Committee of the Board of Directors of HSBC USA Inc. (the “Corporation”), and HSBC Bank USA, N.A. (the “Bank”) (the “Committee”) shall consist of not less than two (2) members, all of whom shall be independent non-executive directors. The members of the Committee shall be appointed by the Board annually. The Board shall designate a Chair or Co-Chairs of the Committee. The Board shall have the power to change the membership of the Committee at any time and to fill vacancies on the Committee.

Invited guests shall include, as appropriate, representatives of the fiduciary business lines of the Bank, the head of the Fiduciary Compliance unit, the Chief Fiduciary Risk Officer and the head of Private Banking.

Meetings and Quorum

The Committee shall meet with such frequency and at such times as it may determine. It is expected that the Committee shall meet at least quarterly and shall maintain minutes of all meetings and make regular reports to the Board.

A majority of the members shall constitute a quorum, however at such times as the Committee shall consist of only two members any action requiring approval of the Committee must be approved by unanimous vote of the members.

Objective

The Fiduciary Committee has been established pursuant to the By-Laws of the Corporation/Bank to supervise the fiduciary activities of the Bank to ensure the proper exercise of its fiduciary powers.

Fiduciary powers are exercised by the Bank pursuant to 12 USC 92a – Trust Powers of National Banks. Fiduciary activities are conducted pursuant to 12 CFR 9 (“Regulation 9”) and other relevant regulations of the Office of the Comptroller of the Currency (“OCC”).

Regulation 9 defines fiduciary activities as serving as trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian, assignee, receiver, or custodian under a uniform gift to minors act; investment adviser, if the Bank receives a fee for its investment advice, any capacity in which the Bank possesses investment discretion on behalf of another; or any other similar capacity that the OCC authorizes pursuant to 12 USC 92a.

The regulation excludes securities related activities not involving investment advice for a fee and those activities for which the investment advice is merely incidental to other services.

Responsibilities

The duties and responsibilities of the Fiduciary Committee shall include the evaluation of the following:

- Proper exercise of fiduciary powers
- Adequacy of management, staffing, systems and facilities
- Adequacy of ethical standards, strategic plans, policies, and control procedures
- Investment performance
- Adequacy of risk management and compliance programs
- Regulatory examination, internal and external audit reports

In addition, Regulation 9 empowers the Board to assign any function related to the exercise of fiduciary powers to any director, officer, employee, or committee of the Bank. The Board has delegated and will delegate responsibility which the Board deems appropriate to the following Bank committees, whose members are appointed by the Board, and whose activities are reported to the Fiduciary Committee of the Board :

- Fiduciary Risk Management Committee (FRMC)
- Trust and Investment Management Committee (TIMCO)
- Corporate Trust Fiduciary Committee (CTFC)

The FRMC is the primary sub-committee that oversees all fiduciary business activity within the Bank. CTFC and TIMCO are individual, specific business line sub-committees that report into the FRMC.

Duties of Management

Management is responsible for the daily operations of the Bank in compliance with applicable laws, rules, regulations and the principles of safety and soundness. The traditional fiduciary standards of due care, duty of loyalty and diligence applies to all accounts. In order to discharge their responsibilities in accordance with regulatory standards, management is responsible for escalating high risk issues and providing the Fiduciary Committee with timely information concerning:

- Material non-compliance with applicable laws, rules, and regulations
- Critical and high priority risk issues, events, errors and control weaknesses
- Significant litigation and potential liability
- New products and services
- Other information vital to the governance of fiduciary activities

Agenda

The Fiduciary Committee may receive the following reports:

- Investment Performance
- Fiduciary Business Developments/Strategic Plans
- Regulatory examination and Audit results
- Significant issues or Legal Matters
- Fiduciary Risk Management and Compliance Programs
- Personnel and Infrastructure Changes
- FRMC minutes