



Department of Justice

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JUSTICE DEPARTMENT REACHES AGREEMENT WITH FIRST NIAGARA BANK N.A. AND HSBC BANK USA N.A. ON DIVESTITURES

WASHINGTON – The Department of Justice announced today that First Niagara Bank N.A. and HSBC Bank USA N.A. have agreed to sell 26 branch offices in the Buffalo, N.Y., area with approximately \$1.6 billion in deposits, to resolve antitrust concerns from the sale of HSBC’s branch network in upstate New York to First Niagara. HSBC is selling 195 branches in New York and Connecticut to First Niagara for approximately \$1 billion. The department said that, without the divestitures, the acquisition likely would have an adverse effect on competition in the Buffalo area for retail banking or small business banking services.

Under the agreement with the Justice Department’s Antitrust Division, the companies will divest 26 HSBC branches located in Erie, Niagara and Orleans counties, N.Y. The divestitures will include the commercial loans associated with the divested branches.

“With the divestiture, consumers and small businesses in the Buffalo area will continue to enjoy the benefits of competition in banking services,” said Sharis A. Pozen, Acting Assistant Attorney General in charge of the Department of Justice’s Antitrust Division.

The proposed merger is subject to the final approval of the Office of the Comptroller of the Currency (OCC). The department said that it will advise the OCC that it will not challenge the merger provided that the parties divest the branch offices specified in the agreement and associated loans and deposits; and provided that the parties commit to the OCC that they will comply with the agreement with the department.

First Niagara Bank N.A., headquartered in Buffalo, is a wholly owned subsidiary of First Niagara Financial Group. First Niagara Bank has about \$31 billion in assets and about \$19 billion in deposits. It has branch offices in Connecticut, Massachusetts, New York and Pennsylvania.

HSBC Bank USA N.A., headquartered in McLean, Va., is the principal subsidiary of HSBC USA Inc., an indirect wholly owned subsidiary of HSBC North America Holdings Inc. As of June 30, 2011, HSBC Bank USA N.A. has about \$195 billion in assets and operates 470 branches throughout the United States.

The branches to be divested are:

Bank	State	County	Address	City	Zip	Deposits as of June 30, 2011 (000s)
HSBC	NY	Erie	5556 Main St	Williamsville	14221	\$185,043
HSBC	NY	Erie	2344 Niagara Falls Blvd	Tonawanda	14150	\$60,804
HSBC	NY	Erie	6525 Transit Rd	East Amherst	14051	\$78,888
HSBC	NY	Erie	366 Kenmore Ave	Buffalo	14223	\$80,380
HSBC	NY	Erie	3107 Bailey Ave	Buffalo	14215	\$40,937
HSBC	NY	Erie	2635 Main St	Buffalo	14214	\$9,853
HSBC	NY	Erie	201 Amherst St	Buffalo	14207	\$54,500
HSBC	NY	Erie	4455 Transit Rd	Williamsville	14221	\$88,067
HSBC	NY	Erie	5151 Broadway	Depew	14043	\$83,916
HSBC	NY	Erie	703 Ridge Rd	Lackawanna	14218	\$48,530
HSBC	NY	Erie	306 West Ferry St	Buffalo	14213	\$49,346
HSBC	NY	Erie	2345 Union Rd	West Seneca	14224	\$113,559
HSBC	NY	Erie	1017 Broadway	Buffalo	14212	\$17,867
HSBC	NY	Erie	1107 Lovejoy St	Buffalo	14206	\$31,906
HSBC	NY	Erie	9094 Erie Rd	Angola	14006	\$41,005
HSBC	NY	Erie	8591 Main St	Eden	14057	\$43,765
HSBC	NY	Erie	4191 North Buffalo St	Orchard Park	14127	\$59,489
HSBC	NY	Erie	11 Main St	Hamburg	14075	\$105,526
HSBC	NY	Niagara	2952 Saunders Settlement Rd	Sanborn	14132	\$37,924
HSBC	NY	Niagara	8301 Niagara Falls Blvd	Niagara Falls	14304	\$78,000
HSBC	NY	Niagara	721 Center St	Lewiston	14092	\$86,889
HSBC	NY	Niagara	150 Main St	Lockport	14094	\$108,905
HSBC	NY	Niagara	5740 South Transit Rd	Lockport	14904	\$31,510
HSBC	NY	Niagara	8683 Main St	Barker	14012	\$24,029
HSBC	NY	Niagara	Main St & Park Ave	Middleport	14105	\$31,681
HSBC	NY	Orleans	514 Main St	Medina	14103	\$51,284

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