

HSBC/CNE

YourMoneyCounts™

ADULT FINANCIAL LITERACY PROGRAMS

FINAL EVALUATION REPORT: FINDINGS AND ANALYSIS

- DEMOGRAPHIC AND PARTICIPANT PROFILE
 - PRE & POST-TEST MEAN ANALYSIS
 - TELEPHONE INTERVIEWS

JANUARY 1 – DECEMBER 31, 2008



YourMoneyCounts™



Table of Contents

| <u>Topic</u> | <u>Page Number</u> |
|---|--------------------|
| Program Overview..... | 3 |
| Program Outcomes and Impact | 4 |
| Number of Consumers Reached..... | 6 |
| Financial Topics Attended | 7 |
| Demographic Profile of All Groups | 8 |
| Zip Code Regions Served | 9 |
| Overview of Mortgage Trainings | 11 |
| Profile of Mortgage Consumers | 14 |
| Change in Consumer Knowledge | 15 |
| Telephone Interview Process | 19 |
| Market Implications | 21 |
| Conclusion | 22 |

Your Money Counts Adult Financial Literacy Program

- CNE and HSBC, partners since 2003, have effectively and efficiently reached and trained 25,000 participants in adult financial education over the five year period of time. The average workshop attendance rate has increased from 27.5 participants per workshop to 33.5 participants per workshop.
- The participants lived in 18 to 20 strategic states in which HSBC has operations or provides financial services.
- The Your Money Counts project is a mature, solid demonstration of a financial education delivery system involving a national project manager and administrator networking with up to 50 culturally diverse, community and faith-based organizations.
- Post-workshop telephone interviews resulted in findings that nearly all participants testified after six months that the adult financial education impacted the way their family saved money, budgeted, used credit, and protected their identity using identity theft prevention techniques.
- Participants reported communicating with at least 2 other persons about their Your Money Counts training and workshop experience.
- In 2008, the CNE/HSBC partnership's goal was to conduct 175 workshops and reach 5,000 consumers. In actuality, the partnership reached and trained 6,067 participants. Six percent of the participants were Spanish speakers (The data presented hereafter in tables and figures ranges from 5,963 to 6,067 participants depending on the number of people answering each question).
- One hundred and thirty-four (134) zip code groups were identified as home zip codes by the participant group.

Your Money Counts Adult Financial Literacy Program

- Eight-five percent (85%) of the participants believe that the workshop length was just right. Four percent (4%) felt that the workshop was too short, and six percent (6%) felt that the workshop was too long.
- Eighty-seven (87%) percent of the participants felt the amount of material present was just right. Five percent (5%) felt that the amount was not enough, and four percent (4%) felt that it was too much material.
- Eighty-nine percent (89%) of the participants felt that the information presented was useful to them and their families. The most useful knowledge reported was the process outlined on how to get a credit report and the procedures to take to repair personal credit, utilizing the material in the HSBC financial education booklets.
- For five years, women have outnumbered men in taking advantage of HSBC's adult financial education. In 2008, sixty-three percent (63%) of the participants were women.
- The CNE/HSBC Your Money Counts workshop project continues to be culturally diverse. In 2008, sixty-five percent (65%) of the participants were African-Americans; seventeen percent (17%) were Hispanic and fourteen percent (14%) were White. Other ethnic group representation was four percent (4%).
- For the first time in its five year partnership, the majority of the participants (53%) earned more than \$22,000.00. Forty-seven percent (47%) of the participants earned less than the threshold mark.
- Also for the first time in its five year partnership, those with some college, a college degree and a graduate degree outnumbered (by 53%) those with a high school diploma/GED and those without such credentials (47%).
- Fifty-one percent of the participants were 41 years of age and older.
- One in three Your Money Counts participants were home owners.

Your Money Counts Adult Financial Literacy Program

- Ironically, while most participants expressed a need to learn how to obtain a credit report and how to conduct a self-directed credit repair campaign, most sites presented Managing Your Money resulting in a 27% exposure rate, more than any other module (3,448 participants); followed by Using Credit (19.1% or 2,427 participants), and Identity Theft (15.4% or 1,952 participants) which ranked two and three respectively.
- The site organizers (CNE affiliates) demonstrated strong community leadership and partnership. The site organizers participated in weekly teleconferences which doubled as a training platform for marketing strategy development, as well as, curriculum and workshop preparation meetings.
- Ninety percent (90%) of the site organizers reported successful workshops and were able to reach their targeted outreach and workshop goals by averaging 33.5% participant per workshop. Ten percent (10%) of the sites experienced challenges in communications, outreach, marketing, and workshop organization which often translated into low turnout and having to do makeup workshops.
- Site affiliates developed local partnerships with housing authorities, school boards, churches, re-entry programs, civic and trade associations, and community residents to appeal to an average of 33.5 participants per workshop.
- Several site affiliates (He Brought Us Out Ministries of Akron, Ohio; Marin Family Action of San Rafael, California; Realized Potential Training Institute of St. Petersburg, Florida and Tampa Bay Area Faith-Based Alliance of Tampa, Florida) leveraged their Your Money Counts resources and were successful in securing additional grant dollars to replicate and expand their youth and adult financial education footprint in their respective communities.

Table 1: Number of Consumers Reached In 2008

Consumers throughout a sixteen state network participated in five-hour, two topic workshops hosted by CNE’s network of thirty-eight community-and faith-based organizations. Table 1 highlights the states in which the Your Money Counts (YMC) Adult Financial Literacy programs were offered along with a demographic breakdown of consumers who participated in the program. Only 5,729 consumers stated their gender, while 5,856 stated their race or ethnic group.

Table 1. Number of Consumers Reached in 2008

| Strategic States | Gender | | Race | | | |
|----------------------|--------|-------|-------|-------|----------|-------|
| | Men | Women | White | Black | Hispanic | Other |
| Arizona | 93 | 21 | 87 | 6 | 15 | 8 |
| California | 247 | 356 | 183 | 261 | 121 | 47 |
| Delaware | 23 | 161 | 6 | 180 | 3 | 5 |
| District of Columbia | 70 | 62 | 3 | 125 | 4 | 0 |
| Florida | 249 | 576 | 178 | 572 | 60 | 21 |
| Georgia | 134 | 412 | 16 | 521 | 8 | 7 |
| Illinois | 117 | 221 | 37 | 232 | 68 | 7 |
| Maryland | 39 | 116 | 8 | 139 | 2 | 7 |
| Nevada | 36 | 83 | 3 | 114 | 2 | 12 |
| New Jersey | 37 | 99 | 3 | 85 | 32 | 20 |
| New York | 267 | 353 | 56 | 499 | 66 | 22 |
| North Carolina | 85 | 153 | 32 | 197 | 0 | 15 |
| Ohio | 329 | 163 | 169 | 302 | 15 | 9 |
| Oregon | 90 | 171 | 10 | 28 | 229 | 3 |
| Texas | 225 | 584 | 33 | 415 | 365 | 26 |
| Virginia | 27 | 130 | 5 | 144 | 4 | 4 |
| Number | 2,068 | 3,661 | 829 | 3,820 | 994 | 213 |
| Percent | 36.1% | 63.9% | 14.2% | 65.2% | 17.0% | 3.6% |

Figure 1: Number of Consumers Attending YMC Workshops By Topic

The Your Money Counts program consists of seven (7) financial education curriculums [including Managing Your Mortgage] with each concentrating on a different area of financial management. The workshops were mainly two-topics; except for the Managing Your Mortgage, a five hour, stand alone workshop. Participants attending the workshops received a package of fourteen (14) financial education booklets. Together, each topic is offered to consumers through a variety of venues including: online, booklets and publications, and hands-on workshops. Figure 1. below outlines the 7 financial topics offered to consumers through the Your Money Counts Adult Financial Literacy programs along with the number of consumers who attended each session in 2008. Some site organizers (Interfaith Housing of Delaware and God's Beloved Dove Enterprises) reported ordering quantities of booklets to support church conferences and family reunions.

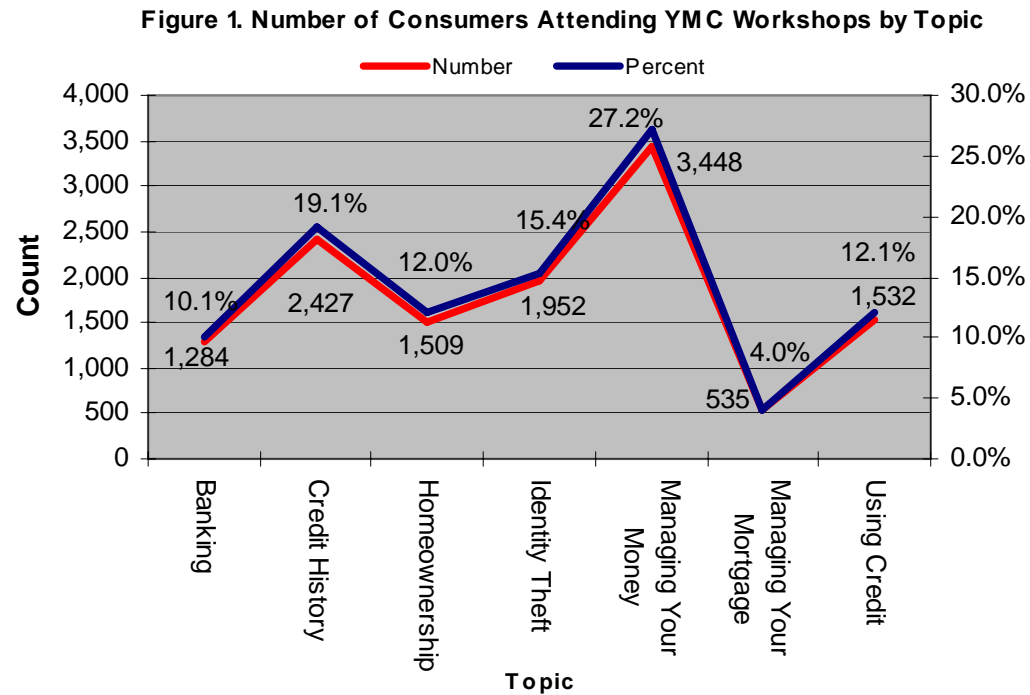


Table 2: Demographic Profile of Consumers

N=5,963*

| <u>Race</u> | | <u>Gender</u> | | <u>Age</u> | |
|-------------------------|-------|------------------|---------------------------|--------------|-------|
| White | 14.0% | Male | 36.1% | 17 and under | 1.5% |
| Black | 65.4% | Female | 63.9% | 18-25 | 14.6% |
| Hispanic | 17.0% | | | 26-40 | 32.1% |
| Other | 3.6% | | | 41-55 | 30.1% |
| | | | | 56+ | 21.7% |
| <u>Income Range</u> | | | <u>Household Size</u> | | |
| <\$22,000 | 47.0% | 1-2 members | 44.0% | | |
| \$22-30,000 | 20.5% | 3-4 members | 37.0% | | |
| \$31-40,000 | 12.8% | 5+ members | 14.0% | | |
| \$41-50,000 | 7.9% | Other | 5.0% | | |
| \$51,000+ | 11.8% | | | | |
| <u>Education</u> | | | <u>Housing Status</u> | | |
| <High School | 13.0% | Own | 32.0% | | |
| High School/GED | 34.0% | Rent | 42.0% | | |
| Some College | 35.0% | Rent to Own | 4.0% | | |
| 4-Year Degree | 10.0% | Live with Others | 14.0% | | |
| Graduate Degree | 8.0% | Other Status | 8.0% | | |

*Table 2 includes Your Money Counts and Your Mortgage Counts totals as well as missing data.

Table 3: Zip Code Regions Reached by the Program

Table 3. Communities Reached by Zip Code

| Strategic States | Zip Codes |
|-----------------------|---|
| Arizona | 850XX, 852XX, 853XX, 855XX, 856XX, 857XX, 863XX, 864XX, 867XX, 885XX |
| California | 900XX, 902XX, 908XX, 910XX, 913XX, 924XX, 933XX, 934XX, 935XX, 937XX, 940XX, 941XX, 945XX, 946XX, 949XX, 950XX, 951XX, 952XX, 954XX, 956XX, 959XX |
| Delaware | 190XX, 191XX, 192XX, 193XX, 197XX, 198XX, 199XX |
| District of Columbia | 200XX, 206XX, 207XX |
| Florida | 320XX, 321XX, 327XX, 330XX, 331XX, 334XX, 335XX, 336XX, 337XX, 338XX, 346XX, 366XX |
| Georgia | 276XX, 278XX, 300XX, 301XX, 302XX, 303XX, 305XX, 309XX, 310XX, 311XX, 312XX, 315XX, 316XX, 319XX |
| Illinois | 505XX, 506XX, 601XX, 604XX, 605XX, 606XX |
| Maryland | 200XX, 201XX, 202XX, 206XX, 207XX, 209XX, 210XX, 211XX, 212XX, 216XX |
| Nevada | 890XX, 891XX, 894XX, 895XX |
| New Jersey | 080XX, 081XX, 088XX |
| New York | 100XX, 104XX, 110XX, 112XX, 113XX, 114XX, 115XX, 116XX, 117XX, 140XX, 141XX, 142XX, 143XX, 144XX |
| North Carolina | 270XX, 271XX, 272XX, 273XX, 274XX |
| Ohio | 433XX, 440XX, 441XX, 442XX, 443XX, 444XX, 445XX, 446XX, 447XX, 448XX |
| Oregon | 970XX, 972XX |
| Texas | 770XX, 772XX, 773XX, 774XX, 775XX, 796XX, 798XX, 799XX |
| Virginia | 233XX, 234XX, 235XX, 236XX, 237XX |
| Total Regions Reached | 134 |

Managing Your Mortgage Summary

Managing Your Mortgage Overview

- The CNE/HSBC partnership piloted a new curriculum “Managing Your Mortgage” during mid-year 2008. Six sites were selected to participate in the pilot and charged to deliver 10 workshops. HSBC Volunteers participated 100% in the pilot by providing training, subject matter expertise, and partnership support.
- The objectives of the Managing Your Mortgage module was to educate consumers about the benefits of homeownership; the home buying process and who the different people are in that process; the cost of homeownership including principal, interest, taxes, insurance, routine maintenance and home improvement, and how to respond if challenging problems such as death, divorce, downsizing, disease, or disability should happen.
- The Managing Your Mortgage was a four-hour stand alone mortgage training program that targeted homeowners, providing them with detailed and practical education that allows them to assess their individual situation and look for ways to reduce expenses, increase their income by “fine-tuning” their budgets, and “boost” their paychecks by finding and saving a few extra dollars each week. Two hundred and twenty (220) participants participated in the pilot.
- HSBC rolled out the Managing Your Mortgage curriculum in October 2008 as a part of its Your Money Counts financial education programs. Ten (10) Managing Your Mortgage workshops were conducted and three hundred and fifteen participants (315) were trained during the rollout between October 1, 2008 and December 31, 2008. During the five-month pilot and rollout training period, 535 consumers within a nine state network took advantage of the mortgage workshop trainings. An average of 27 people attended the Managing Your Mortgage pilot and rollout.
- The participant profile for the Managing Your Mortgage trainings was significantly different from six other core trainings.

Managing Your Mortgage Overview

- The most significant difference for the program was that the Managing Your Mortgage workshop trainings targeted homeowners only. This presented a slight marketing challenge that resulted in the average number of participants for the pilot and rollout Managing Your Mortgage workshops being twenty-seven (27) participants per workshops versus the thirty-three and a half participants (33.5) for the YMC program overall. Sixty seven percent (67%) or two out of every three consumers who participated in the Managing Your Mortgage trainings did own their homes, as compared to 32% or one in three YMC participants who owned their home.
- Other significant changes in participant profiles for Managing Your Mortgage workshops included:
 - Seventy percent (70%) of the participants had some college, a four year degree or graduate degree; only twenty-five percent (25%) had high school/GED or less. Compare this to the 53% (some college, 4 year degree or graduate degree) to 47% (high school/GED or less) ratio for the pre-existing Your Money Counts workshop participants.
 - Sixty-nine percent (69%) of the participants earned more than \$22,000.00; twenty-seven percent (27%) earned less. Compare this to the 53% (who earned more than \$22,00.00) to 47%. (who earned less than \$22,000.00 ratio for the pre-existing Your Money Counts workshop participants.
 - Fifty-eight (58%) percent of the participants were 41 years old and older. Compare this to fifty-one (51%) of the pre-existing Your Money Counts workshops participants who were 41 years old and older.

Managing Your Mortgage Overview

- The most significant learning participants experienced as a result of the Managing Your Mortgage workshop trainings included:
 - People knowing what players were involved and their roles in the mortgage loan process.
 - People coming to know that at least 1% of the home mortgage expense should be set aside for home maintenance costs.
 - People now knowing where to find mortgage and credit counseling resources and help if they ever need it.
 - People becoming familiar with the general rule to spend no more than 28% of their income on mortgage principal, interest, taxes, and insurance.
 - People valuing escrow accounts as a sure way to help pay for items such as property taxes; mortgage, fire, and hazard premiums, and other items.

Table 4: Demographic Profile of Consumers Attending the Mortgage Trainings

N=535

| <u>Race</u> | | <u>Gender</u> | | <u>Age</u> | |
|-------------|-------|---------------|-------|--------------|-------|
| White | 12.1% | Male | 29.2% | 17 and under | 0.7% |
| Black | 71.2% | Female | 63.2% | 18-25 | 7.7% |
| Hispanic | 9.9% | | | 26-40 | 29.2% |
| Other | 3.7% | | | 41-55 | 31.4% |
| | | | | 56+ | 27.3% |

| <u>Income</u> | | <u>Household Size</u> | | <u>Employment</u> | |
|---------------|-------|-----------------------|-------|-------------------|-------|
| <\$22,000 | 26.9% | 1-2 members | 43.7% | Employed | 47.1% |
| \$22-30,000 | 18.5% | 3-4 members | 38.9% | Unemployed | 10.8% |
| \$31-40,000 | 18.3% | 5+ members | 9.3% | Retired | 15.0% |
| \$41-50,000 | 14.0% | Other | 2.2% | Student | 7.3% |
| \$51,000+ | 17.9% | | | Other | 9.0% |

| <u>Education</u> | | <u>Housing Status</u> | |
|------------------|-------|-----------------------|-------|
| <High School | 4.3% | Own | 67.1% |
| High School/GED | 21.3% | Rent | 18.7% |
| Some College | 40.0% | Rent to Own | 4.5% |
| 4-Year Degree | 19.1% | Live with Others | 6.4% |
| Graduate Degree | 11.6% | Other Status | 1.9% |

*Table 4 excludes missing data.

Table 5. Level of Change in Consumer Knowledge Before and After Mortgage Trainings

| Question | Pretest Average | Post-Test Average | Mean Difference | % Agree – Before | % Agree – After |
|---|-----------------|-------------------|-----------------|------------------|-----------------|
| Q1 – Homeownership is often described as the American Dream, and it also provides a sense of stability. | 4.40 | 4.64 | 0.24 | 92.6% | 96.9% |
| Q2 – According to statistics, the net worth of homeowners is substantially greater than non-homeowners or renters. | 4.02 | 4.46 | 0.41 | 74.4% | 90.6% |
| Q3 – Before you start looking for your current house, you first organized your finances before making any decisions. | 4.15 | 4.47 | 0.32 | 82.3% | 92.4% |
| Q4 – Principal is the same as the finance charge. | 2.40 | 2.38 | -0.02 | *57.0% | *63.2% |
| Q5 – Escrow accounts are used to pay property taxes, mortgage insurance premiums, fire and hazard insurance premiums, and other items. | 3.82 | 4.19 | 0.37 | 67.5% | 83.7% |
| Q6 – In general, the higher the interest rate, the lower your mortgage payment will be. | 2.35 | 2.24 | -0.11 | *60.9% | *69.2% |
| Q7 – Interest is the same as finance charge. | 3.24 | 3.40 | 0.16 | 51.7% | 56.0% |
| Q8 – Negative amortization increased the mortgage payment at the end of the loan contract causing a “shortfall” in repaying the interest. | 3.47 | 3.61 | 0.14 | 44.6% | 56.2% |
| Q9 – If you find yourself having difficulty making your payment, one of the first steps to take is to fine-tune your budget. | 4.10 | 4.22 | 0.12 | 81.8% | 86.6% |
| Q10 – There are four stages of mortgage history: current, delinquent, seriously delinquent, and foreclosure. | 3.89 | 4.32 | 0.43 | 69.7% | 88.7% |
| Pretest (n=527) Posttest (n=517) | | | | | |
| Based on 1-5 scale: 1=SD; 2=D; 3=DK/NS; 4=A, 5=SA *Represents those who disagree. | | | | | |

Table 5. Level of Change in Consumer Knowledge Before and After Mortgage Trainings

| Question | Pretest Average | Post-Test Average | Mean Difference | % Agree – Before | % Agree – After |
|---|-----------------|-------------------|-----------------|------------------|-----------------|
| Q11 – Collection processes and efforts are the same as loss mitigation processes and efforts when trying to prevent a mortgage foreclosure. | 3.33 | 3.01 | -0.32 | 48.9% | 15.6% |
| Q12 – In order to save your home, you should sign over your deed to a third party or agree to any deal that lets you rent the property and buy it back later. | 2.41 | 2.09 | -0.32 | *54.5% | *71.1% |
| Q13 – I know where to find mortgage and credit counseling resources and help if I ever need it. | 3.62 | 4.16 | 0.54 | 59.3% | 84.6% |
| Q14 – It is okay to make mortgage payments to anyone other than your lender or servicer. | 2.05 | 1.83 | -0.22 | *71.1% | *81.8% |
| Q15 – The mortgage loan process often involves the appraiser, broker, inspector, investor, lender, servicer, and trustee. | 3.98 | 4.35 | 0.37 | 74.6% | 88.3% |
| Q16 – I know the role of each person involved in the mortgage loan process. | 3.46 | 4.09 | 0.63 | 51.1% | 81.3% |
| Q17 – If buying a home, make a 10% down payment with money I have saved, and finance the rest with a mortgage or long term loan. | 3.68 | 4.09 | 0.41 | 65.4% | 82.7% |
| Q18 – Equity is the difference between what your home is worth and the amount you owe on your mortgage loan. | 3.83 | 4.17 | 0.34 | 70.0% | 83.4% |
| Q19 – People like myself, spend about 32% of our income on housing and related costs. | 3.62 | 3.83 | 0.21 | 61.2% | 71.9% |
| Q20 – If buying a home, having saved at least 10% of the purchase amount will improve my chances of qualifying for an affordable mortgage. | 3.70 | 4.10 | 0.40 | 65.1% | 82.3% |
| Pretest (n=527) Posttest (n=517) | | | | | |
| Based on 1-5 scale: 1=SD; 2=D; 3=DK/NS; 4=A, 5=SA *Represents those who disagree. | | | | | |

Table 5. Level of Change in Consumer Knowledge Before and After Mortgage Trainings

| Question | Pretest Average | Post-Test Average | Mean Difference | % Agree – Before | % Agree – After |
|--|-----------------|-------------------|-----------------|------------------|-----------------|
| Q21 – Reliable income and debt totaling 36% or less of my gross income are the two main factors to examine in determining eligibility for an affordable mortgage. | 3.63 | 3.98 | 0.35 | 56.0% | 75.2% |
| Q22 – The general rule is to spend no more than 28% of your income on mortgage principal, interest, taxes, and insurance. | 3.49 | 3.98 | 0.49 | 46.5% | 76.8% |
| Q23 – Before looking for a home, it is important to get pre-approved for mortgage loan so that you know exactly how much you have to spend. | 4.05 | 4.32 | 0.27 | 80.9% | 89.3% |
| Q24 – Pre-qualification guarantees you will be approved for the amount you are likely to be able to spend. | 3.33 | 3.41 | 0.08 | 16.5% | 10.3% |
| Q25 – Home appraisals and a title search are necessary steps in buying a home. | 4.14 | 4.39 | 0.25 | 83.8% | 91.9% |
| Q26 – Insurance is necessary whether I own or rent. | 4.05 | 4.24 | 0.19 | 79.4% | 86.2% |
| Q27 – As a general rule, you should insure your home for at least 80% of its replacement value or what it would cost to rebuild your home if needed. | 3.84 | 4.24 | 0.40 | 67.7% | 83.8% |
| Q28 – If a homeowner, it is a good idea to have yearly checkups on the major mechanical and structured areas of your home such as heating, plumbing, roofing, etc. | 4.10 | 4.43 | 0.33 | 82.8% | 91.7% |
| Q29 – Experts recommend budgeting 1% of your housing costs for yearly home maintenance. | 3.68 | 4.29 | 0.61 | 58.9% | 87.0% |
| Q30 – Escrow accounts help pay for items such as property taxes; mortgage, fire, and hazard premiums, and other items. | 3.91 | 4.34 | 0.43 | 71.2% | 87.6% |

Pretest (n=527)
 Posttest (n=517)

Based on 1-5 scale: 1=SD; 2=D; 3=DK/NS; 4=A, 5=SA *Represents those who disagree

Telephone Interviews

Telephone Interviews Overview

N=123

A total of 123 consumers participated in the post-training follow-up inquiries by participating in telephone interviews. Interviews were conducted 3 to 6 months after consumers first participated in the Your Money Counts Adult Financial Literacy (YMC AFL) trainings. The telephone interviews were designed to understand and determine what financial information participants were still using post-workshops, and how they were applying that information in their day-to-day lives toward the attainment of their financial goals. Participants were chosen at random from among consumers who participated in the YMC AFL program nationwide, and represent 21 distinct communities. Of those being interviewed, 37% were male; 63% female. Less than 2% spoke Hispanic; 98.2% spoke English.

The findings below represent ways consumers have and are using the financial information to plan, improve, maintain, or strengthen their current financial situations.

Credit Actions Taken Post-Workshops

- 60% obtained and reviewed their credit reports.
- 43% know what their credit scores are.
- 70% are working to improve and/or maintain their credit.

Short-term Actions Taken Post-Workshops

- 93% no longer impulse buy; 51% wait up to 3 days before deciding whether to make purchases.
- 73% have increased their ability to save money.
- 64% know how to protect their identity.
- 63% now budget.
- 62% have created financial plans.
- 52% have freed up money to invest; 52% compare loan rates before buying.
- 50% are now banked.
- 48% feel more knowledgeable about financial practices related to homeownership.
- 40% are now insured.
- 39% read disclosures.

Telephone Interviews Overview

N=123

Long-term Actions Planned

- 32% have done a will.
- 81% are earmarking their savings for retirement or college.
- 65% are earmarking their savings for homeownership.
- 66% value their money more and take fewer risks with it.

Forty-five percent of consumers have not shopped for financial products since attending the YMC workshops. Of the 31% who have shopped for financial products or services, they have been most interested in:

- lower interest loans and credit cards - 6.4%
- mortgage loans - 6.4%
- high yield savings accounts including money markets - 6%
- car loans - 6%
- college savings and tuition plans for their children - 1.6%
- estate and retirement account services - 2.4%
- insurance - 2%

Consumers were asked which venues they used to search for financial products of interest to them. Over 8% asked someone they know; 8% visited a financial institution; 7% used the internet; 4% visited a car dealership, and 4% asked a realtor, tax adviser, or financial aid counselor at college.

Consumers were asked if they have any HSBC brand financial products or services. Those who said yes, indicated they have the following HSBC products or services:

- banking services – 25%
- loans – 24%
- insurance – 21%
- financial planning services – 13%
- investments – 9%
- mortgage services – 8%

Market Implications

Market Implications

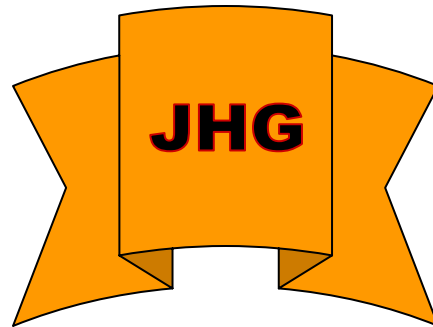
- One hundred and thirty-four (134) zip code identifiers show where HSBC's Your Money Counts program has left its "footprint" as a result of the workshops. A canvass of these areas (with HSBC consumer and product advertisements via TV and print media) will more than likely net new or expanded HSBC consumers in savings and loan accounts.
- People are willing to talk to at least 2 or more people about their HSBC financial education experience; HSBC should continue to provide leaflets, pamphlets, and booklets to consumers and potential consumers as a way to continue increasing its product awareness and footprint.
- People expressed a trust and liking for the HSBC financial education received, and are likely to extend that trust to a retail or business relationship with HSBC at the personal or business level, where opportunity exists to do business with HSBC and its group members.
- People showed a willingness to visit the www.yourmoneycounts.com web site to help them with their financial management tasks. These platforms continue to provide consumers who may not have a walk-in HSBC financial affiliate in the community in which they live with needed access to HSBC products and services.
- Participants (25,000 strong over the five year period) represent a ground swell of opportunity for brand recognition. This brand recognition has to be met head-on with product accessibility either directly with walk-in opportunities or indirectly with internet opportunities.
- At least 20% of the consumers participating in the telephone interviews have either a HSBC loan, bank account, or insurance policy with an HSBC group member.

Evaluation Conclusion

- Twenty-five thousand (25,000) consumers from at least 16 states have received adult financial education through the CNE/HSBC partnership over a 5-year period creating a substantial and sizeable footprint.
- For each person the program has invested in through the community-based trainings, at least two more people have become aware of the Your Money Counts program and trainings.
- People continue to demonstrate that the information is both useful and life altering for the betterment of themselves and their families.
- The CNE/HSBC partnership is showing maturity by increasing the average workshop attendance from 27.5 to 33.5 over the five year period of time; providing sound management and administration of the project; and building the capacity of participating community and faith-based organizations. More sites are demonstrating effectiveness and accountability by hitting their targeted audience and participant number without having to repeat a workshop due to low attendance. Others are leveraging the workshop experience for additional funds and relationships at the community level.
- The HSBC brand is seen as a trusted partner in financial education and management, and in charting future financial plans. HSBC should make its products more accessible through internet, walk-in and mail opportunities.

YMC Comprehensive Evaluation Services
conducted by

JHAWK GROUP, LLC



Information Technology and Management Consulting Services
350 W. Woodrow Wilson Drive, Suite 300
Jackson, Mississippi 39213
Phone: (601) 898-4313 • Fax: (769) 251-1409
E-mail: JHAWKGROUP@aol.com
Web: www.jhawkgroup.com

“Increasing Service Capacity”