

Authorisation criteria for deposit-taking companies

- (a) The company is at least 50% owned by a bank (or exceptionally by another fully supervised financial institution) and subject to adequate prudential supervision by the recognised banking authorities of its country of incorporation.
- (b) The controlling bank is adequately supervised by the prudential supervisory authority of that country or place, and that supervisory authority has no objection to the bank's application for the establishment of a subsidiary deposit-taking company in Hong Kong.
- (c) The paid-up capital of the company is at least HK\$25 mn or an equivalent amount in any other approved currency.
- (d) The company is in reputable ownership and the beneficial owner of any holding of 10% or more of the voting share capital is identifiable and reputable.
- (e) The company, or - if newly formed -its parent, is in good general standing within the financial community.
- (f) The management of the company is in fit and proper hands (applying equally to the head office of the company if it is outside Hong Kong). It conducts, or intends to conduct, its business prudently, including having adequate financial resources and control systems for the scale and nature of its business. At least two persons resident in Hong Kong must be in effective control of the business.