<u>ANNEX 1</u>

BANKING ORDINANCE

(Chapter 155)

<u>Notice under Section 16(5)</u>

<u>Overseas-incorporated banks</u>

On 17 September 1999, in exercise of the powers conferred by section 16(5) of the Banking Ordinance, the Monetary Authority amended the following condition attached to the licences of all overseas-incorporated banks licensed in and after 1978:

> "The bank may maintain offices to which customers and others have access (physical or otherwise) for the purpose of banking business and/or for the arranging or entering into of any other financial transactions in only one building.
>
> In this context, the word "office" includes any automated teller machine or similar terminal device which provides facilities to customers or others.
>
> In addition to the offices mentioned in the first paragraph, the bank may maintain not more than one regional office and one back office to which customers and others have access (physical or otherwise) in a separate building or buildings for the purpose of conducting activities as set out in guidelines to be issued from time to time by the Monetary Authority."

to read:

> "The bank may maintain offices in not more than three buildings to which customers and others have access (physical or otherwise) for the purpose of banking business and/or for the arranging or entering into of any other financial transactions.
>
> In this context, the word "office" includes any automated teller machine or similar terminal device which provides facilities to customers or others.
>
> In addition to the offices mentioned in the first paragraph, the bank may, without restriction on numbers, maintain regional office(s) and back office(s) in a separate building or buildings to which customers and others have access (physical or otherwise) for the purpose of activities other than banking business or the arranging or entering into of financial transactions as set out in guidelines to be issued from time to time by the Monetary Authority."

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<u>Overseas-incorporated restricted licence banks ("RLBs")</u>

On 17 September 1999, the Monetary Authority also amended the following condition attached to the licences of all overseas-incorporated RLBs authorized in and after 1990:

> "The RLB may maintain offices to which customers and others have access (physical or otherwise) for the purpose of the business of taking deposits and/or for the arranging or entering into of any other financial transactions in only one building.
>
> In this context, the word "office" includes any automated teller machine or similar terminal device which provides facilities to customers or others.
>
> In addition to the offices mentioned in the first paragraph, the RLB may maintain not more than one regional office and one back office to which customers and others have access (physical or otherwise) in a separate building or buildings for the purpose of conducting activities as set out in guidelines to be issued from time to time by the Monetary Authority."

to read:

> "The RLB may maintain offices in not more than three buildings to which customers and others have access (physical or otherwise) for the purpose of the business of taking deposits and/or for the arranging or entering into of any other financial transactions.
>
> In this context, the word "office" includes any automated teller machine or similar terminal device which provides facilities to customers or others.
>
> In addition to the offices mentioned in the first paragraph, the RLB may, without restriction on numbers, maintain regional office(s) and back office(s) in a separate building or buildings to which customers and others have access (physical or otherwise) for the purpose of activities other than the business of taking deposits or the arranging or entering into of financial transactions as set out in guidelines to be issued from time to time by the Monetary Authority."

Monetary Authority

17 September 1999