

BANKING ORDINANCE

General Consent granted by the Monetary Authority under Section 97(1) of the Banking Ordinance

The Monetary Authority hereby gives the following general consent under section 97(1), which supersedes the previous general consent dated 9 April 2002 –

A company which is a subsidiary, the holding company, or a subsidiary of the holding company of a bank may use the name of that bank in the name or description under which it is carrying on business in Hong Kong. However, this is subject to the following conditions:

- (a) In the case of a restricted licence bank (RLB) incorporated in Hong Kong which is a subsidiary of a bank, or a subsidiary of the holding company of a bank and that holding company is subject to adequate consolidated supervision by the relevant banking supervisory authority,
 - (i) such name –
 - (A) must be used in immediate conjunction with the term "restricted licence bank" in the same language as such name (which term, in the case of Chinese, shall be "有限制牌照銀行"); and
 - (B) must not be more prominent than such term; and
 - (ii) such description must be solely for the purpose of indicating the connection between the RLB and the bank.

Thus, for example –

- (i) a RLB subsidiary of ABC Bank may describe itself as "ABC Bank (Asia) Ltd, a restricted licence bank" or "ABC (Asia) Ltd, a subsidiary of ABC Bank" or "ABC Bank (Asia) Ltd, a restricted licence bank wholly owned by ABC Bank";
 - (ii) a RLB subsidiary of the holding company of "XYZ Bank China Ltd" may describe itself as "XYZ Bank Hong Kong Ltd, a restricted licence bank".
- (b) In any other case –
- (i) the use of the bank's name must be solely for the purpose of indicating the connection between the company and the bank. Thus, for example, a company may describe itself as "ABC (Asia) Ltd, a subsidiary of ABC Bank". It cannot however use the name "ABC Bank (Asia) Ltd" because this does not indicate the nature of the connection between the company and its parent. A non-bank holding company may however use the name "XYZ Bank Holding Company Ltd" because this clearly shows the nature of the

connection between the company concerned and its subsidiary XYZ Bank Ltd;

- (ii) where the bank in question is incorporated outside Hong Kong and is not authorized under the Banking Ordinance, the bank must be subject to adequate supervision by the relevant banking supervisory authority (which will normally be the supervisory authority in the place where it is incorporated). This condition can be assumed to be satisfied in relation to a banking supervisor which is presently the relevant authority for one or more banks which have an authorized presence (in the form of a branch or a subsidiary) or local representative office (LRO) in Hong Kong (even if the particular bank whose name is to be used does not itself have such a presence or LRO). In any other case, a company wishing to use the name of a bank in the name or description under which it is carrying on business in Hong Kong must seek the specific consent of the Monetary Authority under section 97(1).

Monetary Authority
24 December 2015