ANNEX

Hong Kong Monetary Authority

Annual Self Assessment on Compliance with Code of Banking Practice

Name of Reporting Institution:

For period: 1 December 2001 – 31 May 2002

This self assessment should be carried out either by the internal audit department, the compliance department or other equivalent unit of the institution. The completed assessment report should be submitted to the Hong Kong Monetary Authority on or before **2 September 2002**. Any questions about this report should be directed to Ms Jocelyn Chan at 2878 1275.

This report is approved by:

Signature: ____________________

Name: ____________________

Department: ____________________

Post title: ____________________

Telephone: ____________________

Fax: ____________________

Email: ____________________

PART I - SPECIFIC QUESTIONS

	(i) Does your institution have DOCUMENTS &/or INFORMATION which comply with the following sections of the Code: (Yes/No[1]/NA)		(ii) Does your institution have effective PROCEDURES in place to ensure compliance with the following sections of the Code: (Yes/No[1]/NA)	
Chapter 1 – Relationship Between Banks And Customers				
5. Terms and Conditions	5(i)		5(ii)	
6. Fees and Charges	6(i)		6(ii)	
7. Debt Recovery Expenses	7(i)		7(ii)	
8. Collection, Use and Holding of Customer Information	8(i)		8(ii)	
9. Personal Referees	9(i)		9(ii)	
10. Equal Opportunity	10(i)		10(ii)	
11. Bank Marketing	11(i)		11(ii)	
12. Annualised Percentage Rates (APRs)	12(i)		12(ii)	
13. Handling Customer Complaints	13(i)		13(ii)	

[1] If for any question in relation to each section, a negative response is appropriate for one or more requirements under that section, an overall negative response should be entered in the relevant box. Details of the non-compliance(s) which gave rise to that response and any corrective action taken or underway should be provided separately on supplementary sheets.

Chapter 2 – Accounts and Loans				
14. Opening of Accounts	14(i)		14(ii)	
15. Closing of Accounts	15(i)		15(ii)	
16. Operation of Accounts	16(i)		16(ii)	
17. Rights of Set-off	17(i)		17(ii)	
18. Deposit Accounts	18(i)		18(ii)	
19. Loans and Overdrafts	19(i)		19(ii)	
20. Residential Mortgage Lending	20(i)		20(ii)	
21. Guarantees and Third Party Securities	21(i)		21(ii)	
Chapter 3 – Card Services				
23. Issue of Cards	23(i)		23(ii)	
24. Terms and Conditions, Fees and Charges and Interest Rates	24(i)		24(ii)	
25. Rights of Set-off	25(i)		25(ii)	
26. Security of Cards/PINs	26(i)		26(ii)	
27. Transaction Records	27(i)		27(ii)	
28. Unauthorized Transactions	28(i)		28(ii)	
29. Lost Cards/PINs	29(i)		29(ii)	
30. Liability for Loss	30(i)		30(ii)	
31. Treatment of Credit Balances	31(i)		31(ii)	
32. Direct Mailing	32(i)		32(ii)	

Chapter 4 – Payment Services				
33. Cheques	33(i)		33(ii)	
34. Cross-border Payments	34(i)		34(ii)	
35. Other Payment Services	35(i)		35(ii)	
Chapter 5 – Recovery of Loans and Advances				
36. Debt Collection by Third Party Agencies	36(i)		36(ii)	
37. Management of Relationship with Debt Collection Agencies	37(i)		37(ii)	
Chapter 6 – Electronic Banking Services				
38. Disclosure for e-banking Services	38(i)		38(ii)	
39. Security in relation to e-banking	39(i)		39(ii)	
40. Liability for Loss	40(i)		40(ii)	
41. Reporting of Actual or Suspected Security Incidents	41(i)		41(ii)	
Chapter 7 – Stored Value Cards (or Devices)				
43. Issue of Stored Value Cards or Devices (SVCs)	43(i)		43(ii)	
44. Terms and Conditions and Fees and Charges	44(i)		44(ii)	
45. Operation of SVCs	45(i)		45(ii)	

PART II – GENERAL QUESTIONS

1. A 12-month period has been provided for institutions to comply with those revised provisions of the Code which involve system changes. Please provide a brief description of any areas where such changes are required. Does your institution expect to make the necessary changes and achieve full compliance with the relevant provisions of the Code by the end of the 12-month period? If not, please explain why.

2. Is a system of internal assessment in place within your institution which monitors compliance with the Code and enables you to identify areas of non-compliance? If yes, please provide a brief description of this system. If not, please provide your reasons and indicate how compliance is monitored.

3. Are there channels within the internal assessment system to inform senior management of your institution about areas of non-compliance? How does senior management exercise oversight to ensure compliance with the Code?

4. Are you satisfied that all new products and services launched by your institution during the period under review comply with the Code? Please describe the system in place to ensure that all new products and services launched will be in compliance with the Code?

5. Are you satisfied that appropriate training has been provided to relevant staff to enable them to understand the requirements of the Code? Please provide a brief report on staff training, citing examples of the methods and materials used to train staff about the Code and its requirements.