



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: G4/26/8C
B1/15C

12 October 2017

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Banking (Amendment) Bill 2017

I am writing to inform you that the Banking (Amendment) Bill 2017 will be published in the Gazette on 13 October 2017.

The main purpose of the Bill is to amend the Banking Ordinance (BO) to bring our regulatory regime up to date with the latest international standards on recovery planning and large exposure limits. We have previously consulted the two industry associations on the key proposals in the Bill (see our circular of 21 July 2017 “*Consultation on proposed amendment to the Banking Ordinance for the implementation of recovery planning and new exposure limits*”). The Bill is now scheduled to be introduced into the Legislative Council on 25 October 2017.

We will continue to work closely with the industry in developing the detailed rules on large exposure limits. Subject to the passage of the Bill and legal drafting process, we intend to consult on the draft rules on equity exposures to replace the existing section 87 of the BO in early 2018, and the other components of the new exposure limits regime during the course of 2018.

Yours faithfully,

Richard Chu
Acting Executive Director (Banking Policy)

cc: The Chairperson, The Hong Kong Association of Banks
The Chairman, The DTC Association
FSTB (Attn: Ms Eureka Cheung)