



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Conduct Department

Our ref.: B10/1C
B1/15C

29 October 2010

The Chief Executive
All authorized institutions

Dear Sir/Madam,

United Nations (Anti-Terrorism Measures) Ordinance, Cap.575

I am writing to advise that on 15 October 2010, the Secretary for Security gazetted the Commencement Notice for the remaining uncommenced provisions of the United Nations (Anti-Terrorism Measures) Ordinance (UNATMO).

The remaining provisions of UNATMO that will come into operation on **1 January 2011**, include:

- (a) *section 6* empowers the Secretary for Security (S for S) to freeze suspected terrorist property. Section 6(1) provides that S for S may direct that a person shall not deal with the frozen property except under the authority of a licence granted by S for S;
- (b) *section 8* prohibits the making of any funds or financial services available to or for the benefit of terrorists or terrorist associates except under the authority of a licence granted by S for S;
- (c) *sections 12A to 12J* provide for various powers of investigation, and the seizure and detention of property suspected to be terrorist property;
- (d) *section 14(1), (2) and (3)* relating to the offences and penalties for contravening sections 6 and 8. Offenders will be subject to a maximum penalty of 14 years imprisonment and an unspecified fine for contravening section 8, and 7 years imprisonment and an unspecified fine for contravening section 6.

AIs are advised to familiarise themselves with the requirements of the UNATMO and reminded of the need to have in place appropriate systems to facilitate the

comprehensive screening of relationships and transactions to ensure they do not inadvertently maintain relations with or perform transactions on behalf of designated parties.

The HKMA will continue to circulate all designations under the UNATMO to AIs.

Yours faithfully,

Trevor Keen
Acting Executive Director (Banking Conduct)

c.c. FSTB (Attn: Angelina Kwan)