

L.N. 273 of 2000
Banking Ordinance (Amendment of Third
Schedule) Notice 2000
(Made under section 135(3) of the Banking
Ordinance (Cap. 155))

1. Capital Adequacy Ratio

The Third Schedule to the Banking Ordinance (Cap. 155) is amended, in paragraph 3---

(a) in subparagraph (b), by repealing "paid-up, irredeemable," and substituting "paid-up irredeemable";

(b) in subparagraph (f), by repealing "subsidiaries:" and substituting---
"subsidiaries, provided that the minority interests arising on consolidation in the paid-up irredeemable non-cumulative preference shares of all its subsidiaries which are special purpose vehicles shall not exceed 15% of its Core Capital (including such minority interests) in total:";

(c) in subparagraph (l), by adding "可" before "累";

(d) in subparagraph (o), by repealing "the paid-up irredeemable cumulative preference shares and paid-up term preference shares of its subsidiaries:" and substituting---

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(i) the paid-up irredeemable cumulative preference shares and paid-up term preference shares of its subsidiaries; and

(ii) the paid-up irredeemable non-cumulative preference shares of all its subsidiaries which are special purpose vehicles in excess of the amount permitted for inclusion as its Core Capital:".

Miss Denise YUE

Acting Financial Secretary

28 September 2000

Explanatory Note

This Notice amends some of the provisions for the calculation of the capital adequacy ratio of an authorized institution under the Third Schedule to the Banking Ordinance (Cap. 155). The main purpose is to limit the minority interests arising on consolidation in the paid-up irredeemable non-cumulative preference shares of all subsidiaries of an authorized institution that are special purpose vehicles to 15% of the Core Capital of that institution. The excess amount over the 15% limit is to be included as minority interests in the Supplementary Capital of the institution.