

**By Fax and By Mail**  
**(Fax no.: 2509 9055)**

24 June 2002

Ms Doris Chan  
Clerk to Bills Committee  
Legislative Council Secretariat  
Legislative Council Building  
8 Jackson Road  
Central  
Hong Kong

Dear Ms Chan

**United Nations (Anti-Terrorism Measure) Bill**

Thank you for your letter dated 18 June 2002 inviting the Hong Kong Federation of Insurers (HKFI) to comment on the above Bill.

The Legal Sub-Committee under the HKFI has considered the above Bill and is concerned about the proposed amendments made to clauses 11(1) and (4) whereby the existing test of “knows or has reasonable grounds to suspect” is recommended to be substituted by a subjective test of “knows or suspects”. This represents a shift of unnecessary burden to the financial institutions, in particular for thousands of the front line staff.

In this regard and for consistency purpose, we urge the Bills Committee to consider amending clauses 11(1) and (4) by using the test of “knows or has reasonable grounds to believe”, which requires a higher mental element, as per clauses 6(b) and 7.

Apart from the above, we have no other comments to make and consider an oral representation not necessary.

Yours sincerely

Denny Chan  
Chairman  
Legal Sub-Committee

DC/JW/vc