

L.N. 10 of 2004**BANKING ORDINANCE (AMENDMENT OF SECTION 81(6))
NOTICE 2004**

(Made under section 81(6A) of the Banking Ordinance
(Cap. 155))

1. Commencement

This Notice shall come into operation on 1 April 2004.

2. Limitations on advances by authorized institutions

Section 81(6) of the Banking Ordinance (Cap. 155) is amended—

(a) in paragraph (l), by repealing the full stop at the end and substituting a semicolon;

(b) by adding—

“(m) any financial exposure to any of the following companies arising from the obligations placed upon the company for the purposes of the Guaranteed Mortgage-Backed Pass-Through Securitisation Programme set up by The Hong Kong Mortgage Corporation Limited—

(i) The Hong Kong Mortgage Corporation Limited;
or

(ii) any company that issues mortgage-backed securities in connection with the Programme.”.

Henry TANG
Financial Secretary

27 January 2004

Explanatory Note

This Notice amends section 81(6) of the Banking Ordinance (Cap. 155) (“the Ordinance”) to provide that any financial exposure to The Hong Kong Mortgage Corporation Limited (“HKMC”) or any company that issues mortgage-backed securities in connection with the HKMC’s Guaranteed Mortgage-Backed Pass-Through Securitisation Programme does not form part

of the financial exposure under section 81(1) of the Ordinance, if the financial exposure to the HKMC or the company arises from the obligations placed upon it for the purposes of the Programme.