

**Subcommittee to Study Four Items of Subsidiary Legislation
under the Deposit Protection Scheme Ordinance**

First meeting on 12 June 2006

List of follow-up actions to be taken by the Administration

1. Noting the practice adopted by some banks to reserve their rights to repay in Hong Kong dollar deposits made in foreign currencies, the Subcommittee is concerned whether the proposed new section 2A(a)(i) of Schedule 1 to the Deposit Protection Scheme (DPS) Ordinance (clause 2(3) of L.N. 107) would have the effect of including some deposits in foreign currencies as “structured deposits” thereby excluding them from the DPS, which is inconsistent with the original policy objective of the Administration. The Administration is requested to provide written response to address the above concern and the corresponding proposed amendments to 2A(a)(i), if necessary.
2. On the Subcommittee’s concern about the inconsistency of the term used to refer to “holiday” in the proposed amendments to Schedule 4 to the DPS Ordinance (“general holiday” in clause 3(1)(b) of L.N. 107) and the Contribution Rules (“public holiday” in clause 3(3) and in the definition of “working day” in clause 3(5) of L.N.109), the Administration is requested to consider proposing amendments to the relevant provisions to maintain consistency in drafting, should amendments be proposed in response to the Subcommittee’s concern in item 1 above.