

L.N. 109 of 2006**DEPOSIT PROTECTION SCHEME (PAYMENT OF
CONTRIBUTIONS, LATE PAYMENT FEES
AND REBATES) RULES**

(Made by the Hong Kong Deposit Protection Board under section 51(1) of the Deposit Protection Scheme Ordinance (Cap. 581) after consultation with the Financial Secretary and The Hong Kong Association of Banks)

1. Commencement

These Rules shall come into operation on the day appointed for the commencement of Part 5 of the Deposit Protection Scheme Ordinance (Cap. 581).

2. Interpretation

In these Rules—

“settlement account” (交收戶口) means an account opened and maintained by an authorized institution pursuant to a requirement imposed on the institution under section 3A(1) of the Exchange Fund Ordinance (Cap. 66).

3. Payment of contributions and late payment fees

(1) A Scheme member shall pay any contribution payable under section 15(3) or (4) of the Ordinance, or any late payment fee payable under section 15(4) of the Ordinance—

- (a) if the Scheme member maintains a settlement account with the Monetary Authority, by an entry that is made in the account to the credit of the Monetary Authority; or
- (b) if the Scheme member does not maintain a settlement account with the Monetary Authority, by an entry that is made in a settlement account maintained by another authorized institution with the Monetary Authority to the credit of the Monetary Authority.

(2) Such entry is to include a notice to the effect that the entry is made for the purpose of paying the contribution or late payment fee to the Board.

(3) Subject to subsection (4), a Scheme member shall pay any contribution payable under section 15(3) of the Ordinance during the specified time on a day (other than a public holiday or Saturday) that falls within the period of 21 days after the date on which the relevant notice in relation to the contribution is given to the Scheme member.

(4) If the last day of the period under subsection (3) is not a working day, the period includes the first working day that follows.

(5) In this section—

“gale warning” (烈風警告) means a gale warning within the meaning of section 2 of the Judicial Proceedings (Adjournment During Gale Warnings) Ordinance (Cap. 62);

“rainstorm warning” (暴雨警告) means a rainstorm warning within the meaning of section 2 of the Judicial Proceedings (Adjournment During Gale Warnings) Ordinance (Cap. 62);

“relevant notice” (有關通知), in relation to any contribution, means a notice of the assessment of the amount of the contribution that is given under section 15(2) of the Ordinance;

“specified time” (指明時間), in relation to a day, means the time between 9 a.m. and 12:30 p.m. on the day, but does not include the time during which a gale warning, or a rainstorm warning, is in force;

“working day” (工作日) means any day other than—

(a) a public holiday;

(b) a Saturday; or

(c) a day on which a gale warning, or a rainstorm warning, is in force at any time between 9 a.m. and 12:30 p.m.

4. Payment of rebates

(1) The Board shall pay any rebate payable by the Board to a Scheme member under section 8 of Schedule 4 to the Ordinance—

(a) if the Scheme member maintains a settlement account with the Monetary Authority, by a credit entry that is made in the account; or

(b) if the Scheme member does not maintain a settlement account, by a credit entry that is made in the settlement account designated by the Scheme member in accordance with subsection (2).

(2) For the purposes of subsection (1)(b), a Scheme member shall designate a settlement account by giving a notice in writing to the Board.

Andrew CHAN Chi-fai
Chairman,
Hong Kong Deposit Protection Board

12 May 2006

Explanatory Note

These Rules prescribe the manner in which—

- (a) contributions and late payment fees payable by a bank that is a member of the Deposit Protection Scheme under section 15(3) and (4) of the Deposit Protection Scheme Ordinance (Cap. 581) (“the Ordinance”) are to be paid; and
 - (b) rebates payable by the Hong Kong Deposit Protection Board under section 8 of Schedule 4 to the Ordinance are to be paid.
2. The Rules also prescribe the period within which the above contributions are to be paid under section 15(3) of the Ordinance.