

By fax (2869 6794) and mail

28 February 2005

Clerk to Panel on Financial Affairs
Legislative Council Secretariat
3rd floor, Citibank Tower
3 Garden Road
Hong Kong
(Attn: Ms Connie Szeto)

Dear Connie,

**Panel on Financial Affairs
Follow-up to meeting on 17 February 2005**

I refer to your letter on 21 February to follow up on two suggestions raised by Members at the Panel meeting on 17 February.

Please be informed that we have conveyed the suggestion about the disclosure on the amount of compensation to customers affected by the rented safe deposit box incident in October 2004 to DBS Bank (Hong Kong) Ltd.

The HKMA will, as requested, provide a written report on the compliance situation of the 24 Authorized Institutions (AIs) that have been required to revise the exemption of liability clauses in their safe deposit box agreements by 31 March 2005. We shall also consider the request to disclose the names of the 24 AIs.

Yours sincerely,

(Fiona Chan)
for Chief Executive
Hong Kong Monetary Authority