

**Bills Committee on
Deposit Protection Scheme (Amendment) Bill 2015**

**List of follow-up actions arising from the discussion
at the meeting on 16 December 2015**

To address views and concerns expressed by members at the meeting, the Administration was requested to take the following actions –

- (a) provide the views expressed by licensed banks, being members of Deposit Protection Scheme ("DPS"), during the Administration's consultation with them on the proposed gross payout approach considering that their interests were better protected under the present net payout approach of the DPS than the proposed gross payout approach and that under the proposed approach, the premium to be paid by the banks would likely increase in some cases;
- (b) provide information on how the winding-up procedures and the rights of the debtors would be affected as a result of the adoption of the proposed gross payout approach of the DPS, and the policy and guidelines to be put in place for regulating liquidators' handling of debts owed to a failed bank;
- (c) provide a list of possible scenarios that depositors, particularly those also having debts owed to the bank (e.g. mortgagors), would face as a consequence of the enactment of the proposed legislative amendments, with recommendations on the ways in which depositors/mortgagors could deal with them; and
- (d) consider amending the wording of "despite any rule of law" in the proposed section 38(1)(a) as it might appear to override all other laws in Hong Kong.