

**Bills Committee on Bank of Communications (Hong Kong) Limited
(Merger) Bill**

**List of follow-up actions arising from the discussion
at the meeting on 4 July 2016**

Vesting of undertakings in Bank of Communications (Hong Kong) Limited

In relation to the transfer of the retail banking business and private banking business of the Bank of Communication, Hong Kong Branch to the Bank of Communications (Hong Kong) Limited ("Bank of Communications (Hong Kong)") under the Bill, the Bank of Communications, Hong Kong Branch is requested to provide information (in table format) on the list of undertakings to be transferred and the relevant exclusions.

2. To facilitate members' consideration of whether and how the financial conditions of the Bank of Communications (Hong Kong) can provide sufficient protection of the interests of customers after the said transfer, the Bank of Communications, Hong Kong Branch and the Hong Kong Monetary Authority ("HKMA") are requested to provide information on:

- (a) the capital base (e.g. the paid-up share capital) of the Bank of Communications (Hong Kong) and other information indicative of the financial soundness of the bank; and
- (b) the capital requirements on, and average capital adequacy ratios of, locally incorporated banks vis-à-vis Mainland incorporated banks and their branches in Hong Kong.

Operation of retail banking business by Hong Kong licenced banks

3. HKMA is requested to provide information on the number of licensed banks in Hong Kong, with breakdowns by:

- (a) banks which are incorporated in the Mainland or overseas and operate through branches in Hong Kong;
- (b) banks which are subsidiaries of banks incorporated in the Mainland or overseas, and hold a full banking licence under the Banking Ordinance (Cap. 155); and
- (c) whether the banks in (a) and (b) above operate retail banking business in Hong Kong, and the scale of such operation.