

January, 2007

NOTICE TO CUSTOMERS

Guidelines on Prevention of Money Laundering

As you may be aware, the Hong Kong Monetary Authority has made amendments to its Supplement to Guidelines on Prevention of Money Laundering.

Under these amendments to take effect from 2 January 2007:

- (a) remittance messages in respect of remittances must now contain an address for the customer (which may be a correspondence address) or failing this the customer's date of birth or the number of a government issued identity document the customer holds; this will be seen by the beneficiary bank and may be made available to other parties;
- (b) flexibility is given to banks not to include this information in remittance messages:
 - (i) where the remittance is less than HK\$8,000 or equivalent; or
 - (ii) in the case of a domestic remittance transaction
- (c) but in both cases referred to in paragraph (b):
 - (i) banks are encouraged to include the information in remittance messages; and
 - (ii) the information must be recorded and retained by the bank and may be required to be made available to the beneficiary bank or other appropriate authorities.

The purpose of these requirements is to enable banks and other relevant authorities to combat money laundering.

It is possible in future that the exemption for transactions below the threshold will be removed.

All banks in Hong Kong are expected to comply with the aforesaid Guidelines. Therefore, please note that when initiating a remittance transaction, you will be deemed to have consented to compliance with the requirements summarised above as the same may be revised from time to time. Our Bank's "Notice to Customers relating to the Personal Data (Privacy) Ordinance" has been amended accordingly and is displayed in our banking halls.