

Notice of Amendments to “Rules: Renminbi accounts”

Please be informed that with effect from 25<sup>th</sup> June 2007 (the “effective date”), the following provisions in our “Rules: Renminbi accounts” will be amended as follows:

1. At the end of the opening paragraph, the following wordings shall be added: “Part 3 applies only to other customers.”.
2. Part 1 (General Provisions), Rule 6 shall be replaced in its entirety by the following provisions:  
“ 6. Renminbi cheques shall be used in such places in Mainland China and in Hong Kong and in such manner in accordance with the rules and regulations as from time to time advised by the People’s Bank of China, the Hong Kong Monetary Authority, the clearing bank and any other authorities, and their use is also subject to the laws and regulations of the place concerned, and the conditions, rules and procedures of the persons or banks to which the cheque is to be delivered or presented and the rules and restrictions as we may impose from time to time. ”.
3. A new rule shall be added after Part 1 (General Provisions), Rule 6:  
“ 7. If you are an individual account holder or a designated business customer, you represent to us that: all inter-bank Renminbi fund transfer by means of cheque or other forms shall relate to subscription or purchase of Renminbi bonds. If we consider that in order to comply with the relevant laws, rules or regulations, we may refuse to provide cheque or other forms of inter-bank Renminbi fund transfer service to you. ”.
4. Part 1 (General Provisions) Rule 7, 8 and 9 shall be amended to become Part 1 (General Provisions) Rule 8, 9 and 10 respectively.
5. In Part 2 (Designated business customers), Rule 1, the wordings at the beginning “You represent to us that:” shall be amended to become: “In addition to Rule 7 of Part 1 above, you also represent to us that:”.
6. The following provisions shall be added after Part 2 (Designated business customers), Rule 3:  
**“ Part 3 : Other customers (including Renminbi bond issuers and underwriters)**
  1. If you are a Renminbi bond issuer, you represent to us that: all Renminbi funds deposited, exchanged or remitted shall be generated from Renminbi bond proceeds or funds relating to bond issuance expenses, interest payment or principal repayment.
  2. If you are a Renminbi bond underwriter, you represent to us that: all Renminbi funds deposited shall be generated from funds relating to Renminbi bond underwriting activities.
  3. If we consider that in order to comply with the relevant laws, rules or regulations, we may refuse to accept any Renminbi deposit or part of it, and may also refuse to provide to you exchange or remittance service of Renminbi funds or part of it. “.

As required by the Code of Banking Practice, we wish to inform our customers who are private individuals that if they do not wish to accept the amended “Rules: Renminbi accounts”, they may close their account(s). Maintaining and/or using their account(s) or applying for and/or receiving our services after the effective date will be regarded as their acceptance of the amended “Rules: Renminbi accounts”.

**Nanyang Commercial Bank Limited**

25 June 2007