

December 2016

Notice of service adjustments following the share transfer of Chiyu Banking Corporation Limited

To align with the long-term development strategy and enable a better allocation of resources of the BOCHK Group, BOC Hong Kong (Holdings) Limited is proceeding with the proposed disposal of all of the 70.49% of interests in Chiyu Banking Corporation Limited (“Chiyu”) held by Bank of China (Hong Kong) Limited (“BOCHK”) (the “Proposed Disposal”). Approval from the Ministry of Finance of the People’s Republic of China as well as in-principle regulatory approval from the Hong Kong Monetary Authority have been obtained for the Proposed Disposal. Negotiations between BOCHK and Xiamen International Investment Limited on the terms of the Proposed Disposal have also been completed. Both parties have signed the sale and purchase agreement, and we are now preparing for the share transfer of Chiyu. For details, please refer to the announcement on the websites of The Stock Exchange of Hong Kong Limited (“HKEX”) (www.hkexnews.hk) and BOCHK (www.bochk.com).

Effective from the date of the share transfer of Chiyu (the “Effective Date”), Chiyu will no longer be a member of the BOCHK Group. Services provided by BOCHK to the customers of its member banks will not be applicable to Chiyu customers, and Chiyu will no longer serve BOCHK customers as a member bank of the BOCHK Group. Details of the service adjustments are set out in the appendices for your reference. **Please update the service arrangements or transaction instructions at your earliest convenience so that you can continue to enjoy the relevant services and your instructions can be executed upon the Effective Date.**

After confirming the Effective Date, we will announce it through the website of HKEX (www.hkexnews.hk), some major newspapers as well as our branches and websites.

In preparation for the share transfer of Chiyu, as a customer-centric bank, we will continue to provide quality services with continuity of services and lawful operation as our top priorities.

For details, please visit “Share Transfer of Chiyu – Frequently Asked Questions” on the following websites. For enquiries, please call our customer service hotlines or contact our staff.

BOCHK: (852) 3988-2169/www.bochk.com; Chiyu: (852) 2232-3886/www.chiyubank.com

Bank of China (Hong Kong) Limited
Chiyu Banking Corporation Limited

Adjustments to General Banking Services

1. Service Channels

- 1.1 Starting from the Effective Date, **registration of or transactions through BOCHK accounts** should only be conducted via the service platforms of BOCHK. **Registration of or transactions through Chiyu accounts** should be conducted via the service platforms of Chiyu. Such service platforms include **branches, ATMs^{Note}, cash deposit machines, cheque deposit machines, passbook update machines, and other electronic channels (such as Internet, Mobile and Phone Banking)**. All of the **privilege counter services** will only be provided at designated branches of BOCHK or Chiyu where the account is maintained.
- 1.2 Starting from the Effective Date, **repayments of BOC Credit Card and BOC Express Cash through account transfers at branches** can only be conducted via BOCHK or Chiyu where the debit account is maintained. For example, repayment through account transfers from a BOCHK account can only be conducted via branches of BOCHK while repayment through account transfers from a Chiyu account can only be conducted via branches of Chiyu. However, repayments by **cash or cheque** can continue to be conducted via any branch, cash deposit machine or cheque deposit machine of BOCHK or Chiyu.
- 1.3 Starting from the Effective Date, **overseas ATM cash withdrawal setting** for BOC Credit Card issued for BOCHK customers (with the bank name of BOCHK shown on the card) should be conducted via Internet Banking and Mobile Banking of BOCHK while the relevant setting for BOC Credit Card issued for Chiyu customers (with the bank name of Chiyu shown on the card) should be conducted via Internet Banking and Mobile Banking of Chiyu. Such setting can also be conducted via ATMs of BOCHK, Chiyu or other JETCO member banks, or by calling BOC Credit Card 24-hour Customer Services Hotline at (852) 2853 8828. Overseas ATM cash withdrawal settings completed before the Effective Date will remain effective and unchanged.

2. Account Services

- 2.1 For BOCHK or Chiyu customers who have set up **forward-dated or standing instructions debiting/crediting accounts of the other bank respectively**, **please change the respective instructions to directly debit/credit their BOCHK or Chiyu accounts prior to the Effective Date** to ensure your instructions can be executed upon the Effective Date.
- 2.2 Starting from the Effective Date, **transfers between BOCHK and Chiyu accounts** can be conducted via Express Transfer (RTGS/CHATS) or Electronic Transfer. Since these transfers are routed through local clearing house which may require extra handling time, **please allow sufficient time for the fund transfer**. Under normal circumstances, for Express Transfer (RTGS/CHATS), the receiving bank will collect funds immediately or in the morning of the designated transfer date the soonest and, for Electronic Transfer, on the same day or the next working day after the designated transfer date (Saturday not included) the soonest. For transfers via **branches**, please note the banking service fees of the relevant banks. For transfers via **Internet Banking or Mobile Banking**, customers can enjoy fee waivers for these transfers temporarily from the Effective Date until further notice. **Please note the relevant debit limits and the limitation on the maximum number of registered accounts**.
- 2.3 Starting from the Effective Date, corporate customers' **autopay instructions set between BOCHK and Chiyu accounts** will be processed as autopay instructions to other local banks. Since these autopay transactions are routed through local clearing house which may require extra handling time, **please allow sufficient time for the fund transfer**. Under normal circumstances, the receiving bank will collect funds on the same day or the next working day (Saturday not included) the soonest. To maintain the existing service fees at which customers can enjoy the service, any service fee that exceeds the existing service fees will be waived. This temporary arrangement will take effect from the Effective Date until further notice.

3. Others

Starting from the Effective Date, the names of Chiyu's "BOC Card Services" and "BOC Corporate Banking Service Online" will be changed to "ATM Card Services" and "Corporate Banking Service Online" respectively. The existing terms and conditions of these services will still apply.

Note: Transitional arrangements will apply to ATM services, and ATM services (except cross-bank ATM operations in relation to RMB or Multi-Currency savings accounts) will remain temporarily unchanged after the Effective Date until further notice.

Adjustments to Individual Services

Personal Internet and Mobile Banking Services

Starting from the Effective Date, **transactions through BOCHK or Chiyu accounts** should be conducted respectively via BOCHK or Chiyu where the account is maintained. Such transactions include, but are not limited to, **account registration, account enquiry and currency exchange, etc.** For example, customers will not be able to enquire about their Chiyu account via Personal Internet and Mobile Banking of BOCHK. Similarly, customers will not be able to enquire about their BOCHK account via Personal Internet and Mobile Banking of Chiyu.

Forward-dated and standing instructions which have been set up previously with inter-bank debit/credit between BOCHK and Chiyu accounts will become invalid from the Effective Date. **For BOCHK customers, please change these instructions to directly debit/credit their BOCHK accounts at the earliest convenience prior to the Effective Date. Chiyu customers who have set up similar instructions should also change the instructions to directly debit/credit their Chiyu accounts prior to the Effective Date.**

Starting from the Effective Date, **transfers between BOCHK and Chiyu accounts** can be conducted via Express Transfer (RTGS/CHATS) or Electronic Transfer. Since these transfers are routed through local clearing house which may require extra handling time, **please allow sufficient time for the fund transfer.** Under normal circumstances, for Express Transfer (RTGS/CHATS), the receiving bank will collect funds immediately or in the morning of the designated transfer date the soonest, and for Electronic Transfer, on the same day or the next working day after the designated transfer date (Saturday not included) the soonest. For transfers via Internet Banking or Mobile Banking, customers can enjoy fee waivers for these transfers temporarily from the Effective Date until further notice. **Please note the relevant debit limits and the limitation on the maximum number of registered accounts.**

Same-name Chiyu accounts registered at BOCHK will automatically be displayed in the “Local Bank Transfer and Remittance Beneficiary Account” section starting from the Effective Date. A maximum of 10 accounts can be registered under this section, and the fund transfer limit to these same-name Chiyu accounts automatically adopts BOCHK’s “Third Party Account Daily Fund Transfer Total Limit” (“the Total Limit”). The same principle applies to **same-name BOCHK accounts registered at Chiyu**. As the Total Limit is defaulted to zero in the system, **please check and set an appropriate Total Limit at the earliest convenience prior to the Effective Date**^{Note}. If the requested transfer amount to a same-name account exceeds the Total Limit set by the customer, the transfer will not be completed successfully.

Starting from the Effective Date, **overseas ATM cash withdrawal setting** for BOC Credit Card issued for BOCHK customers (with the bank name of BOCHK shown on the card) should be conducted via Internet Banking and Mobile Banking of BOCHK while the relevant setting for BOC Credit Card issued for Chiyu customers (with the bank name of Chiyu shown on the card) should be conducted via Internet Banking and Mobile Banking of Chiyu. Such setting can also be conducted via ATMs of BOCHK, Chiyu or other JETCO member banks, or by calling BOC Credit Card 24-hour Customer Services Hotline at (852) 2853 8828. Overseas ATM cash withdrawal settings completed before the Effective Date will remain effective and unchanged.

Note: Customers are required to set the Total Limit through Internet Banking (by using Security Device) or branches of BOCHK or Chiyu where their account is maintained. If customers wish to apply for a Security Device, please visit branches or Internet Banking of the corresponding bank where their account is maintained at the earliest convenience prior to the Effective Date.

Corporate Internet Banking Service

Starting from the Effective Date, **transactions through BOCHK or Chiyu accounts** should be conducted via BOCHK or Chiyu where the account is maintained. Such transactions include, but are not limited to, **account registration, account enquiry, transfers, time deposits, trade services and bulk payment uploading, etc.** For example, customers will not be able to enquire about their Chiyu accounts via Corporate Internet Banking of BOCHK. Similarly, customers will not be able to enquire about their BOCHK accounts via Corporate Internet Banking of Chiyu.

Forward-dated and standing instructions which have been set up previously with inter-bank debit or credit between BOCHK and Chiyu accounts will become invalid from the Effective Date. **For BOCHK customers, please change these instructions to directly debit or credit their BOCHK accounts at the earliest convenience prior to the Effective Date. Chiyu customers who have set up similar instructions should also change the instructions to directly debit or credit their Chiyu accounts prior to the Effective Date.**

Corporate Internet Banking Service (Cont'd)

Autopay instructions between BOCHK and Chiyu accounts which have been set up previously will remain valid after the Effective Date, and they will be processed as autopay instructions to other local banks. Since these autopay transactions are routed through local clearing house which may require extra handling time, **please allow sufficient time for the fund transfer**. Under normal circumstances, the receiving bank will collect funds on the same day or the next working day after the designated transfer date (Saturday not included) the soonest. To maintain the existing service fees at which customers can enjoy the service, any service fee that exceeds the existing service fee will be waived. This temporary arrangement will take effect from the Effective Date until further notice.

Starting from the Effective Date, **transfers between BOCHK and Chiyu accounts** can be conducted via Express Transfer (RTGS/CHATS) or Electronic Transfer. Since these transfers are routed through local clearing house which may require extra handling time, **please allow sufficient time for the fund transfer**. Under normal circumstances, for Express Transfer (RTGS/CHATS), the receiving bank will collect funds immediately or in the morning of the designated transfer date the soonest, and for Electronic Transfer, on the same day or the next working day after the designated transfer date (Saturday not included) the soonest. For transfers via Internet Banking, customers can enjoy fee waivers for these transfers temporarily from the Effective Date until further notice. **Please note the relevant debit limits and the limitation on the maximum number of registered accounts**. If the requested transfer amount or the number of registered accounts exceeds the relevant limit, the transfer will not be completed successfully.

In addition, registered Chiyu accounts will not be accessible via Corporate Internet Banking of BOCHK starting from the Effective Date. Similarly, registered BOCHK accounts will not be accessible via Corporate Internet Banking of Chiyu. If necessary, please keep a separate record of the relevant account details at the earliest convenience prior to the Effective Date so that the same accounts could be registered under Beneficiary List on Corporate Internet Banking after the Effective Date to facilitate your future transactions.

Phone Banking Service

Starting from the Effective Date, customers should manage their BOCHK or Chiyu accounts using the **phone banking services** of BOCHK or Chiyu where the account is maintained. Customers will not be able to manage their Chiyu accounts via BOCHK Phone Banking Service. Similarly, customers will not be able to manage their BOCHK accounts via Chiyu Phone Banking Service. Such services include, but are not limited to, **account balance enquiry, currency exchange and time deposits**. **For customers who wish to continue to use Phone Banking Service to manage their BOCHK or Chiyu accounts but have not subscribed to the BOCHK or Chiyu Phone Banking Service respectively, please complete the subscription prior to the Effective Date.**

Fund transfer services between BOCHK and Chiyu accounts via Phone Banking will not be available from the Effective Date. Starting from the Effective Date, customers will not be able to conduct any debit or credit transactions against Chiyu accounts using BOCHK Phone Banking Service. Similarly, customers will not be able to conduct debit or credit transactions against BOCHK accounts using Chiyu Phone Banking Service.

Starting from the Effective Date, **transfers between BOCHK and Chiyu accounts** can be conducted via Express Transfer (RTGS/CHATS) or Electronic Transfer through branches, Internet Banking or Mobile Banking. Since these transfers are routed through local clearing house which may require extra handling time, **please allow sufficient time for the fund transfer**. Under normal circumstances, for Express Transfer (RTGS/CHATS), the receiving bank will collect funds immediately or in the morning of the designated transfer date the soonest, and for Electronic Transfer, on the same day or the next working day after the designated transfer date (Saturday not included) the soonest. For transfers via branches, please note the banking service fees of the relevant banks. For transfers via Internet Banking or Mobile Banking, customers can enjoy fee waivers for these transfers temporarily from the Effective Date until further notice. **Please note the relevant debit limits and the limitation on the maximum number of registered accounts.**

Phone Banking Service (Cont'd)

Same-name Chiyu accounts registered at BOCHK will automatically be displayed in the “Local Bank Transfer and Remittance Beneficiary Account” section of Internet Banking or Mobile Banking starting from the Effective Date. A maximum of 10 accounts can be registered under this section, and the fund transfer limit to these same-name Chiyu accounts automatically adopts BOCHK’s “Third Party Account Daily Fund Transfer Total Limit” (“the Total Limit”). The same principle applies to **same-name BOCHK accounts registered at Chiyu**. As the Total Limit is defaulted to zero in the system, **please check and set an appropriate Total Limit at the earliest convenience prior to the Effective Date**^{Note}. Starting from the Effective Date, if the requested transfer amount to a same-name account exceeds the Total Limit set by the customer, the transfer will not be completed successfully.

Note: Customers are required to set the Total Limit through Internet Banking (by using Security Device) or branches of BOCHK or Chiyu where their account is maintained. If customers wish to apply for a Security Device, please visit branches or Internet Banking of the corresponding bank where their account is maintained at the earliest convenience prior to the Effective Date.

Starting from the Effective Date, for Chiyu Phone Banking customers who would like to manage their BOC Credit Card and BOC Express Cash accounts via BOC Credit Card 24-hour Customer Services Hotline Interactive Voice Response System, they can enjoy the quick and convenient enquiry and service assistance for their BOC Credit Card account with their identification document number and card verification value (CVV) of their BOC Credit Card; while they can enjoy the services for their BOC Express Cash account with their identification document number, contact phone number and date of birth. The Chiyu Phone Banking PIN will no longer be applicable.

Interbank Account Debit / Credit

For BOCHK customers who have set their Chiyu accounts, or Chiyu customers who have set their BOCHK accounts for **time deposit settlement or FX standing instructions**, the relevant instructions will become invalid from the Effective Date. **BOCHK customers should change the relevant instructions to directly debit/credit their BOCHK accounts. Similarly, Chiyu customers should change the relevant instructions to directly debit/credit their Chiyu accounts.** If no adjustment is done before the Effective Date, the relevant transaction amount could not be deposited into the designated account or credited back into the initiating account upon the expiry date of the instruction. At that time, BOCHK or Chiyu will contact the customer concerned for follow-up.

In addition, for **payments of safe deposit box annual fee**, inter-bank debits will be settled via local clearing house from the Effective Date, and customers are not required to make any arrangement in this regard.