



Issuer and Product Arranger

BANK OF CHINA (HONG KONG) LIMITED

(incorporated in Hong Kong with limited liability, a licensed bank regulated by the Hong Kong Monetary Authority and registered with the Securities and Futures Commission to carry out Type 1 and Type 4 regulated activities in Hong Kong)

Programme for Non-Principal Protected Unlisted Equity Linked Investment Products ("Programme")

Our non-principal protected unlisted equity linked investment products issued under this Programme ("ELIs") are not equivalent to time deposits and are NOT principal protected. They are unlisted structured investment products embedded with derivatives. Investors may sustain a total loss in their investment.

The Securities and Futures Commission ("SFC") has authorised the issue of this information memorandum under Section 105(1) of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). The SFC takes no responsibility as to the contents of this information memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this information memorandum. The SFC's authorisation does not imply its endorsement or recommendation of our ELIs referred to in this information memorandum.

IMPORTANT

Before you decide whether to invest in our ELLs, you should read this information memorandum, the financial disclosure document, the relevant product booklet and the relevant indicative term sheet (including any addendum to this information memorandum, the financial disclosure document and/or the relevant product booklet as set out in the relevant indicative term sheet) (together "**Offer Documents**") and fully understand and be willing to assume the risks associated with such an investment.

If you are in any doubt about any of the contents of this information memorandum, you should seek independent professional advice.

You are warned that the market value of our ELLs may fluctuate and you may sustain a total loss of your investment. You should therefore ensure that you understand the nature of our ELLs and carefully study the risk factors set out in the Offer Documents for our ELLs and, where necessary, seek independent professional advice, before you decide whether to invest in our ELLs.

The Offer Documents include particulars given in compliance with the Code on Unlisted Structured Investment Products (the "**Code**") issued by the SFC for the purpose of giving information with regard to us, Bank of China (Hong Kong) Limited ("**BOCHK**") (as the Issuer and the Product Arranger), the Programme and our ELLs. We (as the Issuer and the Product Arranger) accept full responsibility for the contents of, and the completeness and accuracy of the information contained in the Offer Documents and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there is no untrue or misleading statement, or other facts the omission of which would make any statement herein untrue or misleading. We also confirm that we (as the Issuer and the Product Arranger) meet the respective eligibility requirements under the Code and our ELLs comply with the Code.

Our ELLs constitute general, unsecured and unsubordinated contractual obligations of BOCHK and of no other person. If you purchase our ELLs, you are relying upon the creditworthiness of BOCHK and have no rights under the terms of our ELLs against the issuer(s) of the linked stock(s).

If English is not your preferred language, you may request for a copy of the Chinese language version of this information memorandum from your distributor. 倘若英文並非閣下屬意的語言，閣下可向閣下的分銷商索取本資料備忘錄的中文語言版本。

IMPORTANT RISK WARNINGS

The following risks should be read together with other risks contained in the “Risk Factors” section in the relevant product booklet, the section headed “What are the key risks?” in each key facts statement in the relevant product booklet, and the “Important Risk Warnings” and other risk factors highlighted in the relevant term sheet.

- **Unlisted structured investment products.**

Our ELIs are unlisted structured investment products embedded with derivatives and are NOT equivalent to time deposits.

- **Not covered by the Investor Compensation Fund.**

Our ELIs are not listed on any stock exchange and are not covered by the Investor Compensation Fund.

- **Not principal protected.**

Our ELIs are not principal protected: **you could lose all of your investment.**

- **No collateral.**

Our ELIs are not secured on any of our assets or any collateral.

- **Not the same as buying any linked stock.**

Buying our ELIs is not the same as buying any linked stock. You do not acquire any right in a linked stock except where such linked stock is determined on the valuation date to be deliverable to you on the settlement date, in which case you will be entitled to the rights of such linked stock as from the valuation date in accordance with the terms and conditions of our ELIs. Changes in the market price of such linked stock may not lead to a corresponding change, or any change at all, in the market value of, or your potential gain or loss under, our ELIs.

- **Limited market making arrangement.**

Our ELIs are designed to be held until expiry. We will only provide limited market making arrangement for our ELIs with an investment period of more than 6 months on a bi-weekly basis. If you sell your investment in an ELI before expiry, you may receive an amount which is substantially less than your original investment amount.

- **Maximum loss upon BOCHK's default or insolvency.**

Our ELLs constitute general, unsecured and unsubordinated contractual obligations of Bank of China (Hong Kong) Limited and of no other person (including the ultimate holding company of our group, Bank of China Limited). If you purchase our ELLs, you are relying upon the creditworthiness of Bank of China (Hong Kong) Limited and have no rights under the terms of our ELLs against the issuer(s) of the linked stock(s). In the worst case scenario, **you could lose all of your investment.**

BOCHK is not the ultimate holding company of the group to which we belong and with which our name is identified. The ultimate holding company of our group is Bank of China Limited which does not guarantee the performance of our obligations under our ELLs.

- **No direct contractual rights against the Issuer and reliance upon distributor.**

Each series of our ELL will be represented by a global certificate and no individual certificate will be issued to you with respect to your interest in our ELLs. You do not have any direct contractual rights against us (as the Issuer). To assert your rights as an investor in our ELLs against us (as the Issuer), you will have to rely on your distributor (and, if applicable, its direct or indirect custodian) to take action on your behalf. If your distributor (i) fails to take action in accordance with your instructions; (ii) becomes insolvent; or (iii) defaults on its obligations under the terms of the customer agreement between you and your distributor, you may only have a claim as an unsecured creditor of such distributor, and you will need to take action against your distributor in accordance with the terms such customer agreement. This is a complicated area of law and you should seek independent legal advice for further information.

- **English version of the terms and conditions prevails over Chinese version.**

The global certificate representing a series of our ELLs and the terms and conditions of our ELLs will only be issued in English language for the purpose of lodgment with the relevant clearing system(s). If there is any inconsistency between the Chinese version and the English version of the terms and conditions of our ELLs, the English version will prevail over the Chinese version. If you do not understand the English version, you should seek independent professional advice.

- **Conflicts of interest.**

We, BOCHK, are the Issuer and the Product Arranger of our ELLs and also the principal paying agent, the market agent, the calculation agent and a distributor for our ELLs. Potential and actual conflicts of interest may arise from the different roles played by us and our subsidiaries and affiliates in connection with our ELLs and our economic interests in each role may be adverse to your interests in our ELLs.

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SUMMARY OF OUR PROGRAMME

We have set up our Programme so that we can issue ELIs to the public in Hong Kong. This is an overview of the main features of our Programme.

Our ELIs are not principal protected. You may lose some or all of your investment.

Issuer: Bank of China (Hong Kong) Limited, which is a limited liability company incorporated in Hong Kong and is a licensed bank regulated by the Hong Kong Monetary Authority, and registered with the Securities and Futures Commission to carry out Type 1 and Type 4 regulated activities in Hong Kong.

Description of this Programme: Programme for non-principal protected unlisted equity linked investment products.

Size limit of this Programme: There is no limit on the maximum amount of the total issue size of ELIs under this Programme.

Nature of ELIs: Our ELIs are unlisted structured investment products embedded with derivatives. Derivatives are financial instruments whose value and return will depend on the performance of their reference asset(s). The type of derivative which an ELI relates to and the product features of an ELI will be described in the relevant product booklet.

The potential gain or loss on an ELI is linked to a stock or a basket of stocks (such as a share or a unit of a fund being a real estate investment trust or an exchange traded fund) listed in Hong Kong or elsewhere. You have no rights in a linked stock until and unless such linked stock is determined on the valuation date to be deliverable to you on the settlement date, in which case you will be entitled to the rights of such linked stock as from the valuation date in accordance with the terms and conditions of our ELIs.

We will issue a product booklet for each type of ELIs that we issue. The general terms and conditions that apply to each type of ELIs that we can issue under our Programme will be set out in the relevant product booklet.

How we issue: Our ELIs will be offered in series. Each series of ELI will have specific terms and conditions that are applicable to that series only.

Each series of ELI will be issued in nominal units. Each nominal unit represents a specific nominal amount called "nominal unit value". We will specify the nominal unit value for each series of ELI in the relevant term sheet.

You can only buy our ELIs through the distributors specified in the relevant term sheet. The contact details of the distributors will be set out in the relevant term sheet.

Currencies:	The relevant term sheet will specify any of HK dollars, US dollars or other non-restricted and freely convertible currencies as the currency in which the ELIs may be issued and settled, subject to any applicable legal or regulatory restrictions. The ELIs will be issued and settled in the same currency only.
Ranking of our ELIs:	Our ELIs rank as the general, unsecured and unsubordinated contractual obligations of BOCHK and of no other person, and are not secured on any assets or collateral.
Product Arranger:	Bank of China (Hong Kong) Limited, as the “product arranger” for the purposes of the Code, arranges the establishment of our Programme and performs administrative functions such as assisting with the appointment of the agent and the registrar for this Programme.
Minimum application amount:	We may specify a minimum application amount for each series of our ELI in the relevant term sheet.
Governing law:	Hong Kong law governs all documentation for this Programme and the terms and conditions of our ELIs.
Listing:	Our ELIs will not be listed on any stock exchange.
Post-sale cooling-off period:	Post-sale cooling-off period is only applicable to our ELIs with an investment period of more than one year. The relevant product booklet and the relevant term sheet will specify if a post-sale cooling-off period is applicable to the relevant type or series of ELI.
Market making arrangement:	Our ELIs are designed to be held until maturity. We will only provide limited market making arrangements for our ELIs with an investment period of more than 6 months on a bi-weekly basis as disclosed further in the relevant product booklet and the relevant term sheet. The relevant product booklet and the relevant term sheet will specify if such market marking arrangement is available for the relevant type or series of our ELI.

OUR PROGRAMME – MAIN FEATURES

Offer Documents for our ELIs

The following documents (including any addendum to this information memorandum, the financial disclosure document and/or the product booklet set out in the relevant indicative term sheet) constitute the Offer Documents for our ELIs. **You should read all of the Offer Documents before deciding whether to invest in our ELIs:**

- *Information memorandum* – this information memorandum contains an overview of our Programme and provides corporate information about us.
- *Financial disclosure document* – the financial disclosure document includes our most recently published annual report (including the audited financial statements as set out therein) and interim report (including the unaudited interim financial information as set out therein) (if any).
- *Product booklet* – we will publish a product booklet for each type of ELIs issued by us. Each product booklet will set out the product features, risk factors, general terms and conditions, standard format of the term sheet and key fact statement(s) in relation to such type of ELIs.
- *Indicative term sheet* – we will prepare an indicative term sheet setting out the specific terms applicable to each series of ELI and specifying any issued addendum in respect of this information memorandum, the financial disclosure document and/or the relevant product booklet during the offer period.

Please note that certain trade specific terms may only be determined after the offer period and these may only be expressed as a fixed percentage of the initial price in the relevant indicative term sheet at the time you apply for the ELIs. In any event, we will deliver a notification letter to you through your distributor within 2 business days after the trade date setting out all the finalised terms. We will also prepare a final term sheet containing all the finalised terms applicable to a series of ELI. The final term sheet does not form part of the Offer Documents and copies of the final term sheet will be available for inspection from the issue date of the relevant series of ELI at our office as set out on page 19 of this information memorandum.

The offer of each series of ELI is made only on the basis of the Offer Documents.

Terms and conditions of our ELIs

When read together, the general terms and conditions in the relevant product booklet as amended, varied and supplemented by the relevant final term sheet will constitute the full legally binding terms and conditions applicable to the relevant series of ELI.

We will not issue individual certificates for our ELIs. Our ELIs must be held through a distributor.

Each series of ELI issued by us (as the Issuer) will be represented by a single global certificate. The global certificate representing a series of our ELI will, upon issuance, be registered in the name of a nominee for Euroclear and/or Clearstream, Luxembourg, which are international securities clearing systems, as the “**ELI Holder**” (as defined under the terms and conditions of our ELIs). Each series of ELI, in the form of a global certificate, will then be credited to the accounts of the relevant distributors with Euroclear and/or Clearstream, Luxembourg or (when the relevant distributors do not have an account with Euroclear and/or Clearstream, Luxembourg) the accounts of their direct or indirect custodians with Euroclear and/or Clearstream, Luxembourg.

As we will not issue individual certificates for our ELIs under normal circumstances, you must arrange for your distributor to hold the ELIs in your securities or investment account with your distributor. Individual investors cannot open a personal account at Euroclear and/or Clearstream, Luxembourg for the purposes of holding our ELIs. Your distributor will hold the ELIs for you, directly or through its direct or indirect custodian, in accounts at Euroclear and/or Clearstream, Luxembourg. Such distributor or its direct or indirect custodian having an account at Euroclear and/or Clearstream, Luxembourg in which your ELIs are held are referred to as the “**acountholder**” in this information memorandum. As an individual investor, you will not be an acountholder.

When issued, our ELIs have the benefit of a deed of covenant dated 17 January 2008 (“**Deed of Covenant**”) executed by us in favour of the acountholders in the relevant clearing systems which have been credited with interests in the global certificate. Please see “No direct contractual rights against us (as the Issuer) and reliance on your distributor to enforce our ELIs” at page 14 of this information memorandum for the relationship among the Issuer, nominee, distributor and you as the investor in respect of the rights to enforce our ELIs.

Unless you already have one, you will have to open a securities or investment account with a distributor before you can buy our ELIs. Securities or investment accounts and other services will be supplied by your distributor to you subject to its standard terms and conditions. We (as the Issuer and the Product Arranger) are not responsible for the way your distributor handles your account (this does not affect your position where we also act as your distributor). You should ensure you are familiar with the standard terms and conditions, including fees, which your distributor will apply to your account. Ask your distributor to explain if you are not familiar with these arrangements. **You should note that your potential gain or loss on an investment in our ELIs will be affected by charges levied by your distributor.**

In the unlikely event that the clearing system(s) close(s) down, we will issue individual certificates for our ELIs to the acountholders of the relevant series of our ELI in Euroclear and/or Clearstream, Luxembourg, but we will not issue individual certificates otherwise. The agency agreement between us (in our capacities as the Issuer, principal paying agent and calculation agent) and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (“**HSBC**”) (in its capacity as the registrar and paying agent) dated 17 January 2008 (“**Agency Agreement**”) provides in detail for the arrangements which will apply in the unlikely event that individual certificates have to be issued. If this happens, we will give a notice to all the affected acountholders (being the distributors or where applicable, its direct or indirect custodians) in accordance with the terms and conditions of our ELIs summarising these arrangements. You will have to rely on your distributor to notify you accordingly.

We (as the Issuer) will make all cash payments, procure the delivery of the relevant linked stock and/or distribute notices through the principal paying agent and/or the paying agent, the nominee of the relevant clearing system(s) and your distributor.

- *We (as the Issuer) will make all cash payments in respect of our ELIs through the nominee of Euroclear and/or Clearstream, Luxembourg*

We, as the Issuer, will make all cash payments in respect of our ELIs, through the principal paying agent and/or the paying agent, to the nominee of Euroclear and/or Clearstream, Luxembourg, being the ELI Holder. Once we have done so, you will have to rely on:

- (i) the principal paying agent and/or the paying agent and the nominee of the relevant clearing system(s) to credit the accounts of your distributor (or, where applicable, its direct or indirect custodian(s)); and
- (ii) your distributor (or, where applicable, its direct or indirect custodian(s)) to credit your account with payment.

- *Notices will be distributed through the nominee of Euroclear and/or Clearstream, Luxembourg*

Any notices we give after the ELIs are issued will be given in the same way: we will distribute the notice(s), through the principal paying agent and/or the paying agent, to the nominee of Euroclear and/or Clearstream, Luxembourg and you will have to rely on the principal paying agent and/or the paying agent and the nominee of the relevant clearing system(s) to forward the notice(s) to the accountholders (which will be your distributor or its direct or indirect custodian(s)) and your distributor (or, where applicable, its direct or indirect custodian(s)) to ensure that the notice(s) is forwarded to you.

- *We (as the Issuer) will procure the delivery of the relevant linked stock to you*

If it is determined on the valuation date that a number of the relevant linked stock is deliverable to you on the settlement date, we (as the Issuer) will procure the delivery of such linked stock, through the principal paying agent and/or the paying agent, to the nominee of Euroclear and/or Clearstream, Luxembourg, being the ELI Holder, who will instruct the relevant clearance system (being the Central Clearing and Settlement System (“**CCASS**”)) to deliver the same to the account of your distributor (or, where applicable, its direct or indirect custodian(s)) by way of electronic settlement through CCASS. Once we have done so, you will have to rely on:

- (i) the principal paying agent and/or the paying agent, the nominee of the relevant clearing system(s) and CCASS to deliver the number of the relevant linked stock to your distributor (or, where applicable, its direct or indirect custodian(s)); and
- (ii) your distributor (or where applicable, its direct or indirect custodian(s)) to deliver the relevant number of the relevant linked stock to you.

As a result of having to rely on your distributor (and, where applicable, its direct or indirect custodian(s)) and the principal paying agent and/or the paying agent in these circumstances, you will be exposed to the credit risks and other default risks of these parties. You will also be exposed to the credit risks and other default risks of the nominee of the relevant clearing system(s).

There is no assurance of protection against a default by your distributor or, where applicable, its direct or indirect custodian(s), in respect of its obligations under the customer agreement between you and your distributor. If your distributor becomes insolvent or default on its obligations under the customer agreement between you and your distributor, you may only have a claim as an unsecured creditor of such distributor. You will need to take action against your distributor in accordance with the customer agreement. If your distributor’s custodian(s) or the nominee of the relevant clearing system(s) becomes insolvent or defaults on its obligations, you will have no direct contractual rights against such custodian or the nominee of the relevant clearing system(s) and will have to rely on your distributor to take action against such custodian or the nominee of the relevant clearing system(s). **In the worst case scenario, you could lose all of your investment in the ELIs** regardless of the performance of the linked stock and our performance of our obligations under the ELIs.

We will act as the calculation agent to make determinations and exercise discretions under the terms and conditions of our ELIs

BOCHK will also be acting as the calculation agent to make all determinations in its sole and absolute discretion, and exercise all discretions, under the terms and conditions of our ELIs.

The calculation agent must make its determinations and exercise its discretions in good faith and in a commercially reasonable manner, and any such determination is final and binding on you and on us and any other parties involved in the ELIs.

The calculation agent owes no duty to you as an investor in our ELIs.

We have appointed a paying agent for administrative functions

HSBC will act as the paying agent and registrar for ELIs issued under our Programme. Administrative matters relating to our ELIs are dealt with in the Agency Agreement. This agreement sets out the arrangements between us (in our capacities as the Issuer and principal paying agent) and HSBC (in its capacities as the Issuer's paying agent and registrar) for:

- making any payments and delivery of any linked stock due under our ELIs;
- giving notices to the ELI Holder;
- issuing individual certificates for ELIs, in the unlikely event that we ever need to do so; and
- keeping records and dealing with other administrative matters.

BOCHK (in its capacity as the principal paying agent) and HSBC (in its capacity as the paying agent and registrar) owe no duties to you as investors in our ELIs.

Each offer of ELIs is arranged under distribution agreements

BOCHK may act as a distributor and sell our ELIs to you as principal (in our capacity as distributor) or we may enter into distribution agreements with the distributors for each series of our ELI for the offering of the ELIs to the public in Hong Kong. Such distributors may (i) purchase our ELIs from us as principal and on sell such ELIs to you as principal (i.e. you are buying the ELI from your distributor), in which case, if your distributor fails to fulfil its obligation to sell the ELIs to you for any reason in accordance with the agreement between you and your distributor, you will have to take action against your distributor; or (ii) purchase our ELIs from us acting as your agent (i.e. your distributor is buying the ELI from us on your behalf), in which case, if we (as the Issuer) fail to fulfill our obligation to sell the ELIs to your distributor (acting as your agent), you will have to take action against us directly in respect of our obligation to sell the ELIs. Ask your distributor to explain if you are not familiar with these arrangements.

The distribution agreements record the detailed arrangements between us and the distributors involved in offering our ELIs: you do not, as investors in ELIs, have any rights under these agreements. If these agreements, as they apply to any particular offering of our ELIs, contain information which is relevant to you as investors in the ELIs, we will disclose it in the relevant product booklet or the relevant term sheet.

How do we make use of the proceeds from each series of our ELI?

In respect of a series of our ELI, we will use the proceeds for either hedging purposes or for general corporate purposes. Any such hedging activities engaged by us will not affect any amounts which maybe payable or any linked stock which maybe deliverable to you under our ELIs. Such amount payable or linked stock deliverable are governed by the terms and conditions of the relevant series of our ELI.

HOW TO BUY OUR ELIs

Our ELIs are available from the distributors specified in the term sheet for a particular series. You cannot purchase our ELIs directly from us (in our capacity as the Issuer or the Product Arranger). If you wish to purchase any of our ELIs or have any enquiries or complaints on any of our ELIs, you must contact one of the distributors. The names and contact details of the distributors are specified in the relevant term sheet and are available upon request from our Global Markets office, presently at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong.

Our ELIs are not available to US persons.

Do I need an application form or make any confirmations?

No, we (as the Issuer) will not issue an application form for our ELIs. At the time you buy our ELIs, the distributor (including BOCHK acting as your distributor) with which you place your order will ask you to fill in their order form and to make a series of confirmations and acknowledgements. Your distributor is required to ensure that you understand and are able to give these confirmations. Ask your distributor how and when you have to pay the aggregate purchase price for the nominal units in the relevant series of ELI you apply for and for details of what confirmations and acknowledgements you will need to make and when you will need to make them.

What is the relationship between me and my distributor?

Your relationship with your distributor is governed by the customer agreement you sign with the distributor and is not controlled by us (unless BOCHK is acting as your distributor) or by anything in the Offer Documents. Ask your distributor to clarify if you are concerned about this.

Your distributor should be able to explain to you how our ELIs work and to answer your questions.

You also need to rely on your distributor to forward any payment, the relevant linked stock or notices to be made or delivered under our ELIs, and to enforce our ELIs. Please see "We (as the Issuer) will make all cash payments, procure the delivery of the relevant linked stock and/or distribute notices through the principal paying agent and/or the paying agent, the nominee of the relevant clearing system(s) and your distributor" and "No direct contractual rights against us (as the Issuer) and reliance on your distributor to enforce our ELIs" at page 9 and page 14 of this information memorandum respectively for further details.

How will my application be processed?

After you have placed your order with your distributor, your distributor will make an application to us for your order, aggregating any other orders it received from other investors. We may choose to close or extend the offer period for any series of ELI or withdraw invitations made under the Offer Documents at any time. We may also reject an application (or a part of an application) from any distributor at our sole and absolute discretion. If we accept a distributor's order, we will send a confirmation to that distributor within 2 business days after the trade date, setting out the total amount accepted together with the notification letter containing the finalised terms of the relevant series. Such confirmation and notification letter do not form part of the Offer Documents. We will not provide any confirmation to you but will send the notification letter to you via your distributor within 2 business days after the trade date.

Our confirmation may aggregate applications made on behalf of a number of investors through a distributor. Ask your distributor for details of how it will apportion among investors ELIs allocated to it, how your order will be confirmed by it, how you can obtain refund of the application amount paid for any rejected application and how you can check your holdings in the ELIs from time to time.

Are ELIs available only from the distributors?

We may make arrangements for our ELIs to be sold through other channels, which are not set out in the relevant term sheet. Offers of ELIs made through other channels could be made at a lower purchase price, or on terms other than those that are available to investors who buy ELIs through a distributor specified in the relevant term sheet.

OUR ELIs

What are our ELIs?

Our ELIs are unlisted structured investment products embedded with derivatives. The type of derivative embedded in an ELI will be described in the relevant product booklet. The potential gain or loss on an ELI is linked to the performance of a specific stock or a basket of stocks (such as a share or a unit of a fund, being a real estate investment trust or an exchange traded fund) listed in Hong Kong or other stock exchanges, as specified in the relevant product booklet. You have no rights in a linked stock until and unless such linked stock is determined on the valuation date to be deliverable to you on the settlement date, in which case you will be entitled to the rights of such linked stock as from the valuation date in accordance with the terms and conditions of our ELIs.

Our ELIs are contracts under which, upon certain conditions being met, you may receive payment of a certain cash amount or physical delivery of a number of the relevant linked stock at specified future date(s).

You should note that while your investments in our ELIs may give you potentially higher returns than conventional equity investments and cash deposits in some circumstances, you must be prepared to take higher risks. You may lose some or all of the money that you have invested in the ELIs.

What are the key elements of an ELI?

Generally, the key elements of an ELI are:

- the investment period;
- the linked stock(s);
- the purchase price – this relates to the amount you pay at the time of your application for each nominal unit of the ELI;
- a pre-set or a range of benchmark price(s) for the linked stock(s), which determines the potential payout under the ELI;
- the derivative(s) embedded in the ELI;
- if applicable, any potential distribution amount – depending on the terms of the ELI you buy, this relates to any amount in cash you will be entitled to receive during the investment period upon certain conditions being met under the terms of the relevant ELI. No expenses are currently payable by you upon receipt of such amount;
- settlement amount, which, depending on the terms of the ELI you buy, may be either:
 - (i) a cash amount – this relates to the amount in cash you will be entitled to receive upon termination of the ELI upon certain conditions being met under the terms and conditions of the relevant ELI. No expenses are currently payable by you upon receipt of such amount; or
 - (ii) a particular quantity of the relevant linked stock – this relates to the number of the relevant linked stock which you will be obliged to buy at a pre-set price upon certain conditions being met under the terms and conditions of the relevant ELI. You will be required to pay all charges and expenses arising from the delivery of the relevant linked stock, including any buyer's stamp duty and registration charges.

The relevant product booklet will explain how a particular type of ELIs works.

ELI Holders rank for payment equally with our other unsecured creditors

Our ELIs are NOT equivalent to conventional time deposits.

Our obligation under the ELIs is neither a deposit liability of ours nor a debt of any kind. Our ELIs constitute our general, unsecured and unsubordinated contractual obligations. This means that if we (as the Issuer) become insolvent, or default on our obligations under the ELIs, ELI Holders will rank for payment equally with all our other creditors whose claims are not:

- preferred by law;
- secured on our assets; or
- subordinated, which means that those claims rank after the claims of other creditors.

We or our group companies may buy and sell our ELIs

We or our group companies may at any time buy our ELIs whether in the open market or by private arrangement, at any price. If we or our group companies do buy back our ELIs, we or our group companies may hold them, resell them or decide to cancel them, at our and their respective choice. These transactions may have an adverse impact on the market price(s) of the linked stock(s) or the market value of our ELIs (especially where the linked stock(s) are highly illiquid) and may affect your potential gain or loss under our ELIs.

No direct contractual rights against us (as the Issuer) and reliance on your distributor to enforce our ELIs

Each series of our ELI will be represented by a single global certificate in registered form (that will be registered in the name of a nominee for Euroclear and/or Clearstream, Luxembourg). As a result, the ELI Holder will be the relevant nominee for Euroclear and/or Clearstream, Luxembourg.

As your distributor (or, if applicable, its direct or indirect custodian) (as the case may be) will be the accountholder in Euroclear or Clearstream Luxembourg of the ELIs that you invest in, only your distributor (or, if applicable, its direct or indirect custodian) (as the case may be) will be given direct contractual rights of enforcement against us (as the Issuer) under the Deed of Covenant. The Deed of Covenant will be kept on display in our office during the offer period for every series of our ELI and while any of our ELIs is in issue. Please refer to the section headed "Other Information about our Programme" on page 18 of this information memorandum for details.

You do not have any direct contractual rights against us (as the Issuer) or against your distributor's direct or indirect custodian (as the case may be). Therefore in order to assert your rights as an investor in our ELIs, you will have to rely on your distributor (and, if applicable, through its direct or indirect custodian) to take action on your behalf if we (as the Issuer) become insolvent or default on our obligations under the ELIs.

If your distributor (i) fails to take action in accordance with your instructions; (ii) becomes insolvent; or (iii) defaults on its obligations, you will have to take action against your distributor in accordance with the customer agreement you sign with your distributor to establish your interest in our ELIs first before you could assert your right of claim against your distributor's direct or indirect custodian (if applicable) and us (as the Issuer). You may experience difficulties in taking such legal proceedings. This is a complicated area of law and you should seek independent legal advice for further information.

It is therefore important that you familiarise yourself with, and ensure that you understand your relationship with your distributor in relation to the holding arrangements of our ELIs and the arrangements with your distributor regarding taking action against us (as the Issuer), your distributor or your distributor's direct or indirect custodian (if applicable) upon any default of the Issuer's obligations under our ELIs. **If you do not understand such arrangements with your distributor or you would like to know the steps to enforce your rights under the ELIs, you should seek independent professional advice.**

We can re-open a series of ELI to issue more nominal units of the same series later

We reserve the right to create and issue more nominal units of a particular series of ELI in a follow-on offering after the initial offering has closed. The further nominal units of ELI will be issued so that they are interchangeable with the originally issued nominal units of ELI – the only difference will be the purchase price and the issue date. The further nominal units of ELI issued will not have an adverse impact on the market value of the existing nominal units of ELI.

Our Programme is governed by Hong Kong law

All our programme documentation, including the terms and conditions of our ELIs, are governed by Hong Kong law. The terms and conditions of our ELIs provide that the courts of Hong Kong have non-exclusive jurisdiction to settle any dispute in connection with our ELIs.

TAXATION

We have based this summary of tax laws on current law and practice in Hong Kong and the United States. It is intended to give you an overview of what Hong Kong and United States tax you might have to pay if you hold our ELLs.

The following is only a summary and we are not giving you any tax advice. You should consult your own tax adviser about the tax consequences of investing in our ELLs, particularly if you are subject to special tax rules (for example, if you are a bank, dealer, insurance company or a tax-exempt entity under Hong Kong law).

HONG KONG

Withholding Tax

We are not required under current law to make any withholding on account of Hong Kong tax from payments in respect of our ELLs.

Capital Gains Tax

No capital gains tax is payable in Hong Kong on any capital gains arising from the transfer or sale of our ELLs.

Profits Tax

No Hong Kong profits tax is payable in respect of dividends of any company or in respect of any gains arising from the sale of the linked stocks or our ELLs, except that Hong Kong profits tax may be chargeable on any such gains where the sale or disposal is or forms part of a trade, profession or business carried on in Hong Kong.

Stamp Duty

Our ELLs are not expected to be subject to Hong Kong stamp duty or bearer instrument duty either when issued or on any subsequent transfer. If there is stamp duty payable on a series of ELL, we will specify that in the relevant product booklet or the relevant term sheet.

However, if under the terms and conditions of a series of ELL, there is any transfer of stocks (which fall within the meaning of "Hong Kong stock" under the Stamp Duty Ordinance), currently there will be stamp duty payable on the delivery of stocks at 0.2% of the amount or value of the consideration for the sale and purchase of such stocks. Unless a product booklet or indicative and/or final term sheet specifies otherwise, you are liable to pay the transferee's stamp duty (i.e. 0.1% of the amount or value of the consideration for the sale and purchase of such stocks) arising from any transfer and receipt of stocks under our ELLs.

UNITED STATES

FATCA Withholding for Non-U.S. Investors

Legislation known as the United States Hiring Incentives to Restore Employment Act (the "**HIRE Act**"), which included provisions referred to as the Foreign Account Tax Compliance Act ("**FATCA**"), was passed in the United States on 18 March 2010. Under the HIRE Act and FATCA, the issuer and distributors of the ELLs may be required to withhold moneys on account of U.S. federal tax on all, or a portion of:

- (a) any payments made in respect of the ELLs that are linked to the value of, or dividends on, stock issued by an entity that is treated as a U.S. corporation (or by any other entity the dividends of which would be U.S. source) for U.S. federal income tax purposes (such payments, "**U.S. Source Payments**"); or

(b) any payments (regardless of whether such payments have any connection to a U.S. Source Payment) made after 31 December 2016 in respect of the ELIs.

The HIRE Act and FATCA withholding tax can affect both coupon or periodic payments and “gross proceeds” (including principal payments).

Based on the provisions of the HIRE Act, and on current proposed regulations under FATCA, payments made with respect to an ELI will not be subject to the HIRE Act or FATCA withholding tax if both (i) such ELI is not linked to a U.S. Source Payment and (ii) such ELI does not provide for payments that are made after 31 December 2016.

The issuer will not issue any ELI providing for payments that are made after 31 December 2016, or any ELI providing for U.S. Source Payments. Therefore, on the basis of the current proposed regulations and the above analysis, payments made with respect to the ELIs issued under this Programme will not be subject to the HIRE Act or FATCA withholding tax.

The HIRE Act and FATCA provisions are particularly complex, and their application is uncertain at this time. The above description is based in part on proposed regulations and other guidance that is subject to change. You should consult your own tax adviser as to the application of the HIRE Act and FATCA to the ELIs.

CIRCULAR 230 NOTICE. THE ABOVE NOTICE IS BASED ON U.S. TREASURY REGULATIONS GOVERNING PRACTICE BEFORE THE U.S. INTERNAL REVENUE SERVICE: (1) ANY U.S. FEDERAL TAX ADVICE CONTAINED HEREIN, INCLUDING ANY OPINION OF COUNSEL REFERRED TO HEREIN, IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (2) ANY SUCH ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS DESCRIBED HEREIN (OR IN ANY SUCH OPINION OF COUNSEL); AND (3) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER’S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The above summary only applies to you if you are a non-U.S. Investor. You are a non-U.S. Investor unless you are: (1) an individual citizen or resident of the United States, (2) a corporation, partnership or other entity (excluding a trust) that is formed or organized under the laws of the United States or any of its political subdivisions, (3) an estate that is subject to U.S. federal income taxation regardless of its source, or (4) a trust that is subject to the jurisdiction of a U.S. court and for which one or more “United States persons” (as defined in the U.S. Internal Revenue Code) control all of the substantial decisions, or has otherwise made an appropriate election under U.S. tax regulations.

OTHER INFORMATION ABOUT OUR PROGRAMME

WE TAKE RESPONSIBILITY FOR THE OFFER DOCUMENTS

The Offer Documents include particulars given in compliance with the Code for the purpose of giving information with regard to BOCHK (as the Issuer and the Product Arranger), the Programme and our ELLs. We (as the Issuer and the Product Arranger) accept full responsibility for the contents of, and the completeness and the accuracy of the information contained in the Offer Documents and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there is no untrue or misleading statement, or other facts the omission of which would make any statement therein untrue or misleading. We also confirm that we (as the Issuer and the Product Arranger) meet the respective eligibility requirements under the Code and our ELLs comply with the Code.

None of the distributors which sell our ELLs is responsible in any way to ensure the accuracy of the Offer Documents.

WE WILL UPDATE THIS INFORMATION MEMORANDUM AND THE FINANCIAL DISCLOSURE DOCUMENT WHENEVER WE OFFER ELLs, IF NECESSARY

This information memorandum and the financial disclosure document are accurate as at their respective dates. You must not assume that information in this information memorandum or the financial disclosure document is accurate at any time after the relevant date of this information memorandum or the financial disclosure document.

If the information in this information memorandum or the financial disclosure document needs to be updated at the time we issue an indicative term sheet for a series of ELL, we will either put the updated information in the relevant indicative term sheet or, if we prefer, we may put it into an addendum to this information memorandum or the financial disclosure document, as we determine to be appropriate. The relevant indicative term sheet will tell you if any addendum has been published. If an addendum is published, you should read this information memorandum, the financial disclosure document, the relevant product booklet and the relevant indicative term sheet as including the addendum.

In the case where we publish any addendum to the information memorandum and/or the financial disclosure document during the offer period of a series of ELL, we will, as soon as practicable, notify the distributors who will in turn notify those investors who have placed an order for that series of ELL. Those investors will be given an opportunity to cancel their application within a limited period of time as notified to them by their distributors. If you exercise your right to cancel your application in such circumstance, the purchase price will not be deducted from the designated account you hold with your distributor on the issue date. No interest will be paid nor any market value adjustment or handling fees will be deducted or charged by us (as the Issuer) and your distributor. Please check with your distributor for further details.

Your right to cancel your application in the circumstances described above will not affect your right to cancel or unwind your order (as the case may be) during the post-sale cooling off period, if applicable. Please refer to the relevant product booklet and relevant indicative term sheet for details.

ONGOING DISCLOSURE

BOCHK (in our capacities as the Issuer and the Product Arranger) will keep the SFC and the distributor(s) informed as soon as reasonably practicable if (a) we (as the Issuer) cease to meet any applicable eligibility requirements in the Code; (b) we (as the Product Arranger) cease to meet any applicable eligibility requirements in the Code and, (c) to the extent permitted by any applicable law, there are any changes in our financial condition or other circumstances which could reasonably be expected to have a material adverse effect on our ability (as the Issuer) to fulfil our commitment in connection with our ELLs. Your distributor will in turn inform you.

WHERE CAN YOU READ COPIES OF OUR DOCUMENTATION?

This information memorandum contains a summary description of our Programme. To find out more, you can read copies of the documents set out below free of charge by going to our Global Markets office, presently at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong. The office is open only during normal business hours and not on Saturdays, Sundays or public holidays.

These are the documents, which will be kept on display during an offer period for our ELIs and while any of our ELIs is in issue:

- our up-to-date memorandum and articles of association (in English language version only);
- our current information memorandum and any addendum (in English and Chinese language versions);
- our current financial disclosure document and any addendum (in English and Chinese language versions);
- the relevant product booklet and any addendum (in English and Chinese language versions);
- the relevant indicative term sheet (during the offer period of the relevant series of the ELI) and the relevant final term sheet (during the tenor of the relevant series of the ELI) (in English and Chinese language versions);
- our most recently published annual report (including the audited financial statements as set out therein) and interim report (including the unaudited interim financial information as set out therein) (in English and Chinese language versions);
- a certified true copy of the Agency Agreement (in English language version only);
- a certified true copy of a letter from our auditor, consenting to the inclusion of its report(s) in the financial disclosure document or any addendum (in English language version only);
- a certified true copy of the Deed of Covenant (in English language version only); and
- any notices given by us under the conditions of our ELIs (in English and Chinese language versions).

A reasonable fee will be charged if you want to take photocopies of any of the documents whilst they are on display.

THE OFFER DOCUMENTS ARE NOT PROSPECTUSES

None of the Offer Documents constitutes a prospectus under the Companies Ordinance (Cap.32, Laws of Hong Kong). None of these documents will be lodged or registered under the securities laws of any jurisdiction outside Hong Kong and these documents will not be registered with or approved by any regulatory authority outside Hong Kong. You should observe any applicable restrictions in the relevant jurisdiction in making an investment in our ELIs.

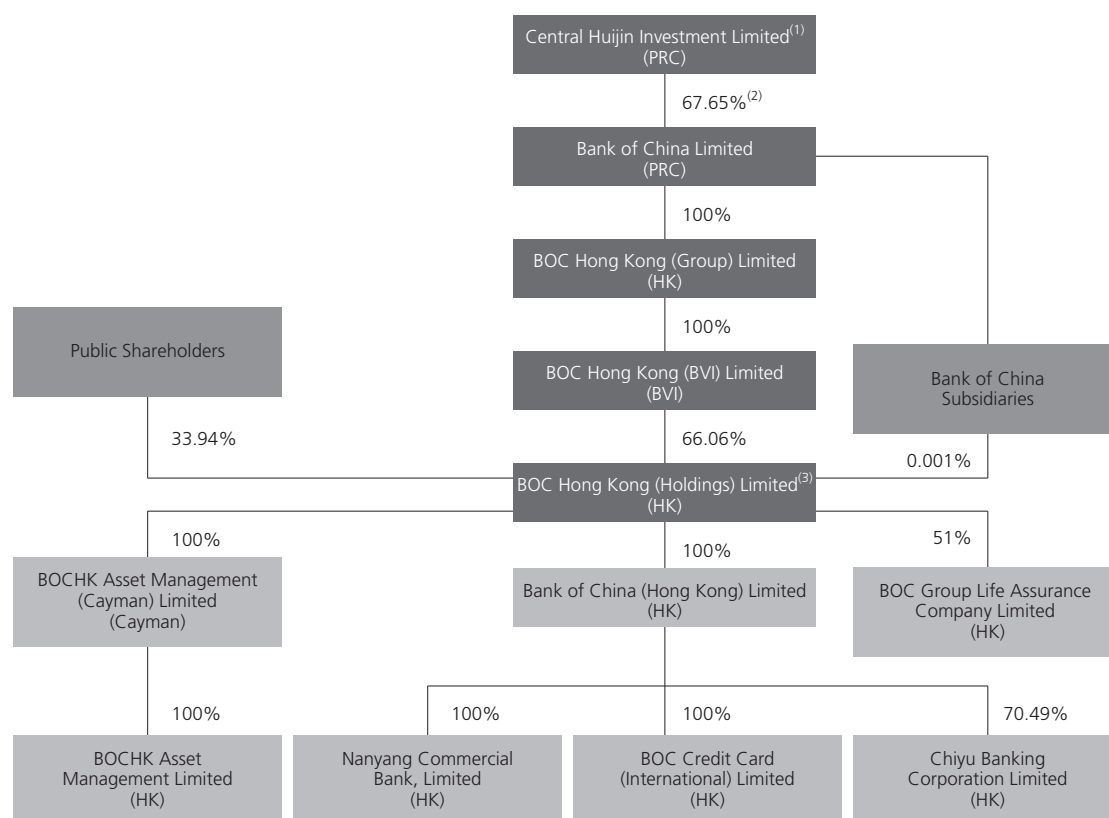
INFORMATION ABOUT US

We were established in Hong Kong on 1 October 2001. Our registered office address, which is also the address for service of process of our directors, is set out at the back page of this information memorandum.

Bank of China (Hong Kong) Limited (referred to in this information memorandum as “we”, “our” or “BOCHK”) is a locally incorporated licensed bank. BOCHK has merged the businesses of ten of the twelve banks in Hong Kong originally belonging to the Bank of China Group. Meanwhile, two additional Hong Kong incorporated banks, Nanyang Commercial Bank, Limited (“Nanyang”) and Chiyu Banking Corporation Limited (“Chiyu”), and BOC Credit Card (International) Limited (“BOC Credit Card”) became subsidiaries of BOCHK.

BOCHK and its subsidiaries are collectively referred to below as the “Group”.

The following chart sets forth our corporate organisation, principal operating subsidiaries and shareholding structure:



(1) Acting on behalf of the PRC Government and previously known as Central SAFE Investments Ltd.

(2) As a percentage of the total issued share capital of Bank of China Limited which comprises A shares and H shares.

(3) Based on the register maintained pursuant to the Securities and Futures Ordinance.

Outline of Business

Overview

We, together with our key subsidiaries, are a leading commercial banking group in Hong Kong. With over 260 branches, more than 580 ATMs and other distribution channels in Hong Kong, BOCHK and our subsidiaries offer a comprehensive range of financial products and services to individual and corporate customers. BOCHK is one of the three note issuing banks in Hong Kong. In addition, the Group has 33 branches and sub-branches in the Mainland of China to provide cross-border banking services to Hong Kong and Mainland customers. BOCHK is appointed by the People’s Bank of China as the Clearing Bank for Renminbi business in Hong Kong. On 13 July 2010, BOCHK was authorised as the Clearing Bank of RMB banknotes business for the Taiwan region.

Personal Banking

With solid foundation and strong franchise, BOCHK continues to maintain its market leadership in personal banking business. To meet the increasingly sophisticated banking needs of customers, we provide one-stop personal financial products and services, including deposits, mortgages, wealth management, RMB services, personal loans, remittances, insurance and credit cards, as well as diversified investment services in securities trading, investment funds, bonds, foreign exchange and precious metals.

Corporate Banking

BOCHK is a major lender to companies conducting business in Hong Kong, the Mainland of China and abroad. Having a strong professional team with sound knowledge of both Hong Kong and the Mainland markets, we are the leading arranger of the syndicated loans in both places and offer corporate and institutional customers a wide variety of tailored products and services, including commercial loans, trade settlement and finance, cash management, custody, payroll, Mandatory Provident Fund services, and the like. Capitalising on the close collaboration with our parent bank, Bank of China Limited, BOCHK is well positioned to facilitate business expansion of customers with our most professional global credit services, RMB services, trade financing and financial consultation services.

Private Banking

BOCHK Private Banking provides high-net-worth individuals and their families with private and premium integrated wealth management services, such as Investment and Consultancy, Trust, Estate Planning, and Transactional and Corporate Banking. Furthermore, leveraging the unique advantages of BOCHK in RMB business and supports from our parent bank, Bank of China Limited, Private Banking also focuses on the development of RMB products and services to meet their diverse needs.

RMB Banking Services

BOCHK endeavours to develop new services and enhance product integration to promote the development of Hong Kong as the offshore RMB business centre. BOCHK pioneered a number of personal RMB services in deposits, currency exchange, remittance, cheques, cashier's order and gift cheques, insurance, bank cards, securities trading and the first-ever RMB-HKD dual currency credit card in Hong Kong. BOCHK has launched the RMB services for Non-Hong Kong residents from 1 August 2012 to help them enhance financial flexibility and grasp every investment opportunity.

Given our abundant expertise and strong track record in RMB services, BOCHK took the lead in offering corporate customers innovative RMB products in Hong Kong, including the first transaction in cross-border RMB trade settlement and trade finance; the first RMB working capital loan (inclusive of syndicated loan in dual currencies); the first Hong Kong RMB foreign direct investment transaction in the Mainland and vice versa; the first RMB-denominated initial public offering ("**IPO**") and stock issuance; and the first non-cargo cross-border RMB trade settlement and share dividends transactions from the Mainland to Hong Kong.

To help customers optimise funds for business expansion, BOCHK provides all-in-one RMB trade settlement and financing solutions, overdraft facilities, bond issuance and IPO services for customers. RMB payroll, dividend payment and diversified payment services are also tailored to facilitate their operational efficiency.

With all of the above competitive RMB products and services, BOCHK is committed to be the best choice for all RMB needs of customers.

Treasury Services

BOCHK is one of the leading participants in the treasury market. We have taken the lead in providing personal customers with a wide array of treasury products: foreign currency deposits, FX margin trading, option linked deposits, and many more. Our expertise also covers foreign exchange, deliverable and non-deliverable forward, interest rate swap, options, cross currency swap, bonds, investment funds, precious metals, and equity linked and structured deposits for broad-based corporate customers and financial institutions.

In recent years, we have made substantial investments in our technology platform and distribution capabilities. In addition to our extensive branch and ATM network, we offer Internet Banking, Mobile Banking and 24-hour automated telephone banking services to offer maximum convenience to customers in financial management.

**REGISTERED OFFICE OF ISSUER, PRODUCT ARRANGER
AND PRINCIPAL PAYING AGENT**

Bank of China (Hong Kong) Limited

14th Floor
Bank of China Tower
1 Garden Road
Hong Kong

PAYING AGENT AND REGISTRAR

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch

20 Pasir Panjang (East Lobby)
#12-21, Mapletree Business City
Singapore 117439

LEGAL ADVISERS

To the Issuer as to Hong Kong law

King & Wood Mallesons

13th Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

