

## LEGISLATIVE COUNCIL BRIEF

United Nations (Anti-Terrorism Measures) Ordinance  
(Cap. 575)

### United Nations (Anti-Terrorism Measures) (Amendment) Bill 2012

#### INTRODUCTION

A At the meeting of the Executive Council on 7 February 2012, the Council ADVISED and the Chief Executive ORDERED that the United Nations (Anti-Terrorism Measures) (Amendment) Bill 2012 (“the Bill”) at **Annex A** be introduced into the Legislative Council. The purpose of the Bill is to implement two outstanding recommendations of the Financial Action Task Force on Money Laundering (“FATF”)<sup>1</sup> as set out in its 2008 Mutual Evaluation Report on Hong Kong (“the Report”)<sup>2</sup>.

#### JUSTIFICATIONS

2. In 2008, FATF completed the Report on Hong Kong’s compliance with FATF’s recommendations<sup>3</sup> in countering money laundering and terrorist financing. While recognizing the strengths of Hong Kong’s anti-money laundering (“AML”) and counter financing of terrorism (“CFT”) regime, the Report made a series of recommendations to improve Hong Kong’s compliance of FATF’s Recommendations. Specifically, the Report concluded that Hong Kong needs to effectively implement legislative

<sup>1</sup> FATF is an inter-governmental body whose purpose is the development and promotion of local and international policies to combat money laundering and terrorist financing. FATF was created in 1989 and works to bring about legislative and regulatory reforms of members in those areas. It has published a set of internationally recognized standards to cover the issues of anti-money laundering/counter financing of terrorism, known as the “40 + 9 Recommendations”.

<sup>2</sup> The Mutual Evaluation Report on Hong Kong, as published by the FATF in 2008, is set out at the following website – <http://www.fatf-gafi.org/dataoecd/19/38/41032809.pdf>

<sup>3</sup> A certain number of FATF’s “40 + 9 Recommendations” are considered as Core/Key Recommendations, the level of compliance of which is of particular importance when considering the effectiveness of a country’s or territory’s ability to meet FATF’s requirements.

measures to address certain key deficiencies in the AML/CFT regime, including improvement to compliance with two major recommendations which respectively requires the criminalization of the financing of terrorism, terrorist acts and terrorist organizations, as well as the full implementation of the requirements of the United Nations on counter-terrorist financing. In fact, Hong Kong's major trading partners, including the United Kingdom, the USA, Singapore, Canada, Australia, etc., have complied with the two major recommendations above-mentioned.

3. On the basis of the Report, FATF resolved that Hong Kong should be put on a follow-up process and be required to report to FATF on a regular basis on improvement actions taken or planned. According to FATF's procedures, Hong Kong is expected to have addressed the major deficiencies above-mentioned and seek FATF's agreement to remove Hong Kong from the follow-up process not later than four years after the Report, i.e. by June 2012. If Hong Kong fails to seek removal from the follow-up process within a reasonable period due to absence of substantial improvements, FATF may tighten scrutiny and monitoring on Hong Kong which could affect Hong Kong's status as an international financial centre. On the basis of the FATF's procedure for follow-up after mutual evaluation, Hong Kong's commitment and ability to address the key deficiencies identified in the Report in respect of the FATF's recommendations would be crucial for the removal from FATF's follow-up process.

## **AMENDMENT PROPOSALS**

4. To address FATF's recommendations, the Bill aims to amend the UNATMO in three main areas and to introduce certain consequential amendments as follows –

- (a) repeal the definition of “funds” and replace the term “funds” by “property”;
- (b) expand the definition of “terrorist act” to cover acts to coerce international organizations;

- (c) expand the prohibition on assistance for terrorists and terrorist organizations to also cover the collection of property for such persons and organizations; and
- (d) make consequential amendments to the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (“the AMLO”) and the Rules of the High Court.

Details of the proposed amendments in each of the above areas are set out in the ensuing paragraphs. The relevant existing provisions of the UNATMO, B AMLO and Rules of the High Court are set out at **Annex B**.

(a) Amendments relating to the term “funds”

5. The Report noted that section 7 of the UNATMO “does not extend to ‘assets of every kind, whether tangible or intangible, movable or immovable’ as stipulated in the United Nations International Convention for the Suppression of the Financing of Terrorism (the “TF Convention”) <sup>4</sup>”. It recommended that “Hong Kong review the UNATMO with a view to expressly criminalizing the provision of all assets, and not simply funds”. To address the recommendation of the Report, the scope of coverage of “funds”, currently set out in section 2 of the UNATMO, would need to be expanded in line with the Report’s recommendation. To achieve this, we propose that the definition of “funds” in the UNATMO be repealed and the term “funds” be replaced by “property” throughout the UNATMO. “Property” is defined in the Interpretation and General Clauses Ordinance (Cap. 1) to include –

- (a) money, goods, choses in action and land; and
- (b) obligations, easements and every description of estate, interest and profit, present or future, vested or

<sup>4</sup> Article 1.1 of the TF Convention defines “funds”, to mean “*assets of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such assets, including, but not limited to, bank credits, travellers cheques, bank cheques, money orders, shares, securities, bonds, drafts, letters of credit*”.

contingent, arising out of or incident to property as defined in (a).

We consider that the definition is wide enough to address FATF's recommendation in covering assets of every kind.

6. Sections 7 and 8 of the UNATMO prohibit the provision and collection of funds to commit terrorist acts or to terrorists and terrorist associates. Accordingly, the term "funds" under both sections 7 and 8 should be replaced by "property".

(b) Expand the definition of "terrorist act"

7. The Report recommended that Hong Kong should "broaden the scope of terrorist acts to also cover the intended coercion of an international organization". This recommendation was based largely on expressed references to "international organization" made in Article 2.1(b) of the TF Convention regarding, for example, the criminalization of acts which cause death or serious bodily injury to persons for the purpose of compelling a government or an international organization to do or to abstain from doing any act. As such, we propose that the definition of "terrorist act" under section 2(1) of the UNATMO, which covers threat against the Government or the public, to also cover international organizations such as the United Nations, the Red Cross, etc.

(c) Criminalization of the collection of funds for terrorists or terrorist organizations

8. The Report recommended that the "collection" (in addition to the provision or making available) of funds for terrorists or terrorist organizations be made an offence and incorporated into section 8 of the UNATMO. We propose that a new provision be added under section 8 to prohibit the collection of property or the solicitation of financial (or related) services for terrorists or terrorist associates. For example, a person seeking to obtain a loan from a financial institution to collect funds for terrorists or terrorist organizations may fall within the coverage of the new provision.

(d) Consequential Amendments to the AMLO and the Rules of High Court

9. In view of the proposed amendments set out under (a) and (c), we need to include consequential amendments to the AMLO so that “funds” in the definition of “terrorist financing” in the AMLO, which makes direct reference to the definition of “funds” in the UNATMO, will be replaced by “property” and that the collection of property or the solicitation of financial (or related) services for terrorists or terrorist associates will also be covered under that definition of “terrorist financing”, as the latter was drafted to tally with sections 7 and 8 of the UNATMO. The proposed consequential amendments will ensure that the definition of “terrorist financing” under the AMLO continues to tally with sections 7 and 8 of the UNATMO as amended by the Bill and in line with the legislative intent of the AMLO.

10. The consequential amendment to the Rules of the High Court are straightforward in simply repealing the word “funds” from rule 24(1)(a) of Order 117A.

**THE BILL**

11. The main provisions of the Bill at **Annex A** are summarized below –

- (a) **Clause 1** sets out the short title of the Bill;
- (b) **Clause 3** repeals the definition of “funds” and replaces the term “funds” by “property” under section 2 of the UNATMO. Clause 3 also provides that the scope of the definition of “terrorist act” be expanded to cover the intended coercion of “international organizations”;
- (c) **Clauses 4, 5 and 7** replace the term “funds” by “property” under sections 6, 7 and 15 of the UNATMO;

- (d) **Clause 6** implements the recommendation that the “collection of property” for terrorists or terrorist associates be made an offence;
- (e) **Clause 10** makes a consequential amendment to Order 117A of the Rules of the High Court;
- (f) **Clause 12** makes consequential amendments to the definition of “terrorist financing” in the AMLO.

## **LEGISLATIVE TIMETABLE**

12. The legislative timetable is as follows -

Publication in the Gazette	17 February 2012
First Reading and commencement of Second Reading debate	22 February 2012
Resumption of Second Reading debate, committee stage and Third Reading	to be notified

## **IMPLICATIONS OF THE PROPOSAL**

13. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no economic, financial, productivity, environmental or sustainability implications. No additional staffing is required for implementing the proposal. It will not affect the current binding effect of the UNATMO.

## **PUBLIC CONSULTATION**

14. The Security Panel was consulted on the salient features of the proposed amendments to the UNATMO on 7 November 2011. Some Panel Members requested explanation on whether the UNATMO is applicable to a decision of a nation when passing a resolution in the United Nations. The

purpose of the UNATMO is to implement the United Nations Security Council in its Resolution 1373 and the relevant Conventions, as well as the recommendations of FATF to suppress terrorist acts. Section 3 of the UNATMO also states that sections 7, 8, 9, 10, 11B and 11F of the Ordinance apply to any person within the HKSAR and any person outside the HKSAR who is a Hong Kong permanent resident or a body incorporated or constituted under the law of the HKSAR.

15. Some Panel Members also requested information on the consequence of non-compliance with FATF's recommendations. In accordance with FATF's procedures, where an FATF member fails to demonstrate sufficient improvements and obtain FATF's agreement to be removed from the follow-up process within about four years after the mutual evaluation, FATF may tighten scrutiny and monitoring on the member concerned, which may include –

- (a) the FATF President issuing a letter to the relevant minister(s) of the member concerned asking for expedited action to address the major deficiencies;
- (b) sending a high-level mission to the member concerned to conduct detailed evaluation and to advise on proper follow-up actions and detailed action plan for implementation; and
- (c) publishing a public statement stating that the jurisdiction concerned is insufficiently in compliance with the FATF Recommendations which requires FATF members to consider appropriate counter-measures (such as applying enhanced customer due diligence on transactions connected with the member concerned).

16. Hong Kong was put on FATF's regular follow-up process in 2008. If we fail to implement the necessary improvement measures and be removed from FATF's follow-up process by June 2012, FATF may tighten scrutiny on Hong Kong. Taking into account Hong Kong's status as an international financial centre and the fact that Hong Kong's major trading partners have complied with the two FATF's major recommendations

concerned, any tightened scrutiny by FATF on Hong Kong would seriously affect the competitiveness of Hong Kong vis-a-vis our trading competitors and Hong Kong's status as an international financial centre.

## **PUBLICITY**

17. A LegCo Brief and a press release have been issued. A spokesperson will be available to answer media enquiries.

## **BACKGROUND**

18. Following the terrorist attacks on the United States on 11 September 2001, the United Nations Security Council met and passed Resolution 1373 ("UNSCR 1373") on 28 September 2001. UNSCR 1373 requires member states to combat terrorism on multiple fronts and includes, among other things, the prevention and suppression of terrorist financing through criminalizing direct, indirect and willful provision or collection of funds for terrorists or terrorist organizations. In parallel, FATF, a pre-eminent international body specializing in recommending standards and best practices in countering money laundering, expanded its mission to cover terrorist financing and made nine Special Recommendations to tackle the issue (in addition to the existing 40 Recommendations on anti-money laundering). The Special Recommendations overlap, to a great extent, with the provisions of UNSCR 1373. All FATF members, including Hong Kong, are expected to implement both the Recommendations and the Special Recommendations.

19. For Hong Kong, the UNATMO was enacted in 2002 to fulfill Hong Kong's international obligations to combat acts of terrorism and terrorist financing under UNSCR 1373, the relevant Conventions<sup>5</sup> and certain Special Recommendations of FATF. The UNATMO (as amended by

<sup>5</sup> The relevant Conventions include the International Convention for the Suppression of Terrorist Bombings, the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation and the Protocol for the Suppression of Unlawful Acts Against the Safety of Fixed Platforms Located on the Continental Shelf.

the United Nations (Anti-Terrorism Measures) (Amendment) Ordinance (21 of 2004)) came into full operation on 1 January 2011.

20. In 2008, FATF and the Asia/Pacific Group on Money Laundering (“APG”)<sup>6</sup> published the Report on Hong Kong’s implementation of FATF’s 40 Recommendations and nine Special Recommendations. Both FSTB and SB have been tasked to prepare legislative amendments to address FATF’s recommendations made in the Report. Hong Kong has submitted two progress reports on the improvement actions taken or planned by Hong Kong to implement FATF’s recommendation in June 2010 and June 2011 respectively, with a firm commitment to seeking FATF’s agreement for Hong Kong to be removed from its follow-up progress in June 2012.

## **ENQUIRIES**

21. Enquiries on this brief could be referred to Mr David Lau, Principal Assistant Secretary for Security, at telephone number 2810 2329.

**Security Bureau**  
**February 2012**

<sup>6</sup> The APG is an international organisation consisting of 40 members and a number of international and regional observers, including the United Nations, the IMF and the World Bank. The APG is closely affiliated with FATF and all members commit to effectively implement FATF’s international standards for anti-money laundering and combating financing of terrorism.

## United Nations (Anti-Terrorism Measures) (Amendment) Bill 2012

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# A BILL

## To

Amend the United Nations (Anti-Terrorism Measures) Ordinance to replace all references to “funds” by “property”, to expand the definition of *terrorist act*, and to revise the prohibition on assistance for terrorists and terrorist organizations to cover the making available of property or financial (or related) services and the collection of property or solicitation of financial (or related) services by any means, directly or indirectly; and to make necessary consequential amendments to enactments.

Enacted by the Legislative Council.

### Part 1

#### Preliminary

##### 1. Short title

This Ordinance may be cited as the United Nations (Anti-Terrorism Measures) (Amendment) Ordinance 2012.

### Part 2

#### Amendments to United Nations (Anti-Terrorism Measures) Ordinance

2. **United Nations (Anti-Terrorism Measures) Ordinance amended**  
The United Nations (Anti-Terrorism Measures) Ordinance (Cap. 575) is amended as set out in sections 3 to 8.
3. **Section 2 amended (interpretation)**
  - (1) Section 2(1), definition of *terrorist act*, paragraph (a)(ii)(A), after “Government”—  
**Add**  
“or an international organization”.
  - (2) Section 2(1), definition of *terrorist property*, paragraph (b)—  
**Repeal**  
“consisting of funds”.
  - (3) Section 2(1), Chinese text, definition of 恐怖分子財產, paragraph (b)(i)—  
**Repeal**  
“資金”.
  - (4) Section 2(1), Chinese text, definition of 恐怖分子財產, paragraph (b)(ii)—  
**Repeal**  
“資金”.
  - (5) Section 2(1)—  
**Repeal the definition of funds.**

**4. Section 6 amended (freezing of funds)**

Section 6, heading—

**Repeal**

“funds”

**Substitute**

“property”.

**5. Section 7 amended (prohibition on provision or collection of funds to commit terrorist acts)**

(1) Section 7, heading—

**Repeal**

“funds”

**Substitute**

“property”.

(2) Section 7—

**Repeal**

“, funds”

**Substitute**

“, any property”.

(3) Section 7(a)—

**Repeal**

“funds”

**Substitute**

“property”.

(4) Section 7(b)—

**Repeal**

“funds”

**Substitute**

“property”.

(5) Section 7, English text—

**Repeal**

“funds are”

**Substitute**

“property is”.

**6. Section 8 substituted**

Section 8—

**Repeal the section**

**Substitute**

**“8. Prohibition on making property, etc. available to or collecting property, etc. for terrorists and terrorist associates**

A person must not—

(a) except under the authority of a licence granted by the Secretary, make any property or financial (or related) services available, by any means, directly or indirectly, to or for the benefit of a person knowing that, or being reckless as to whether, the person is a terrorist or terrorist associate; or

(b) collect property or solicit financial (or related) services, by any means, directly or indirectly, for the benefit of a person knowing that, or being reckless as to whether, the person is a terrorist or terrorist associate.”.

**7. Section 15 amended (supplementary provisions applicable to licences mentioned in section 6(1) or 8)**

Section 15(1)(b)—

**Repeal**

“funds are”

**Substitute**

“property is”.

**8. Schedule 1 repealed (funds)**

Schedule 1—

**Repeal the Schedule.**

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**Part 3**

**Consequential Amendment to Rules of the High Court**

**9. Rules of the High Court amended**

The Rules of the High Court (Cap. 4 sub. leg. A) are amended as set out in section 10.

**10. Order 117A, rule 24 amended (application concerning direction mentioned in section 6(10) or licence mentioned in section 6(1) or 8)**

Order 117A, rule 24(1)(a)—

**Repeal**

“, funds”.

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**Part 4****Consequential Amendments to Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance****11. Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance amended**

The Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Cap. 615) is amended as set out in section 12.

**12. Schedule 1 amended (interpretation)**

- (1) Schedule 1, Part 1, section 1, definition of *terrorist financing*, paragraph (a)—

**Repeal**

“of funds”

**Substitute**

“of any property”.

- (2) Schedule 1, Part 1, section 1, definition of *terrorist financing*, paragraph (a)(i)—

**Repeal**

“funds”

**Substitute**

“property”.

- (3) Schedule 1, Part 1, section 1, definition of *terrorist financing*, paragraph (a)(ii)—

**Repeal**

“funds”

**Substitute**

“property”.

- (4) Schedule 1, Part 1, section 1, definition of *terrorist financing*, paragraph (a)—

**Repeal**

“funds are actually so used); or”

**Substitute**

“property is actually so used);”.

- (5) Schedule 1, Part 1, section 1, definition of *terrorist financing*, paragraph (b)—

**(a) Repeal**

everything before “directly”

**Substitute**

“(b) the making available of any property or financial (or related) services, by any means;”;

**(b) Repeal the full stop****Substitute**

“; or”.

- (6) Schedule 1, Part 1, section 1, definition of *terrorist financing*, after paragraph (b)—

**Add**

“(c) the collection of property or solicitation of financial (or related) services, by any means, directly or indirectly, for the benefit of a person knowing that, or being reckless as to whether, the person is a terrorist or terrorist associate.”.

- (7) Schedule 1, Part 1, section 2—

**Repeal**

“*funds* (資金).”.

## Explanatory Memorandum

### Background

The United Nations Security Council passed Resolution 1373 (*UNSCR 1373*) in September 2001. It requires, among other things, the prevention and suppression of terrorist financing, and criminalizing direct, indirect and wilful provision or collection of funds for terrorist acts and freezing of terrorist assets. It is binding on all Member States. In accordance with Articles 13 and 48(8) of the Basic Law, the Central People's Government gave instructions to the Hong Kong Special Administrative Region in October 2001 to implement UNSCR 1373.

2. Hong Kong is a member of the Financial Action Task Force on Money Laundering (*FATF*), an intergovernmental organization specializing in promoting and making Recommendations on best practices in countering money laundering and terrorist financing. FATF's Special Recommendations on Terrorist Financing overlap to a certain extent with UNSCR 1373. FATF closely monitors its members' implementation of the Recommendations and publishes its findings in Mutual Evaluation Reports.
3. In Hong Kong, the obligations under UNSCR 1373 and certain of FATF's Special Recommendations are implemented through the United Nations (Anti-Terrorism Measures) Ordinance (Cap. 575) (*the principal Ordinance*). The implementation of the requirements of UNSCR 1373 and the related Recommendations of FATF are under regular review. In 2008, FATF and the Asia/Pacific Group on Money Laundering published a Mutual Evaluation Report (*the Report*) on Hong Kong. The object of this Bill is to amend the principal Ordinance to address certain perceived shortcomings as identified in the Report.

### Part 1—Preliminary

4. Clause 1 sets out the short title.

### Part 2—Amendments to United Nations (Anti-Terrorism Measures) Ordinance

5. Clause 3(1) amends the definition of *terrorist act* in section 2(1) of the principal Ordinance to cover the intended coercion of an international organization.
6. Clauses 3(5) and 8 repeal the definition of *funds* in section 2(1) of the principal Ordinance, while other clauses change all references to “funds” in the principal Ordinance to “property”. These amendments deal with the perceived lack of coverage for certain type of assets.
7. Clause 6 substitutes section 8 of the principal Ordinance—
  - (a) to ensure that the prohibition under that section covers the making available of property or financial services by any means, to achieve consistency with sections 7 and 9 of the principal Ordinance; and
  - (b) to create a new offence of the collection of property or solicitation of financial services for terrorists or terrorist associates.

### Part 3—Consequential Amendment to Rules of the High Court

8. Clause 10 contains a consequential amendment to rule 24 of Order 117A of the Rules of the High Court (Cap. 4 sub. leg. A).

### Part 4—Consequential Amendments to Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance

9. Sections 7 and 8 of the principal Ordinance provide for the criminalization of terrorist financing. The legislative intent of the definition of *terrorist financing* in the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Cap. 615) is that the definition should tally with the terrorist financing offences under the principal Ordinance. Clause 12 contains consequential amendments to the definition.

**United Nations (Anti-Terrorism Measures) Ordinance (Cap.575)**

**Section 2(1)**

"funds" (資金) includes funds mentioned in Schedule 1;

"terrorist act" (恐怖主義行爲)-

(a) subject to paragraph (b), means the use or threat of action where-

(i) the action is carried out with the intention of, or the threat is made with the intention of using action that would have the effect of-

(Amended 21 of 2004 s. 3)

(A) causing serious violence against a person;

(B) causing serious damage to property;

(C) endangering a person's life, other than that of the person committing the action;

(D) creating a serious risk to the health or safety of the public or a section of the public;

(E) seriously interfering with or seriously disrupting an electronic system; or

(F) seriously interfering with or seriously disrupting an essential service, facility or system, whether public or private; and

(Amended 21 of 2004 s. 3)

(ii) the use or threat is-

(A) intended to compel the Government or to intimidate the public or a section of the public; and

(B) made for the purpose of advancing a political, religious or ideological cause;

**United Nations (Anti-Terrorism Measures) Ordinance (Cap.575)**

(b) in the case of paragraph (a)(i)(D), (E) or (F), does not include the use or threat of action in the course of any advocacy, protest, dissent or industrial action;

"terrorist property" (恐怖分子財產) means-

(a) the property of a terrorist or terrorist associate; or

(b) any other property consisting of funds that-

(i) is intended to be used to finance or otherwise assist the commission of a terrorist act; or

(ii) (ii) was used to finance or otherwise assist the commission of a terrorist act;

**United Nations (Anti-Terrorism Measures) Ordinance (Cap.575)**

**Section 6**

**Title: Freezing of funds**

**United Nations (Anti-Terrorism Measures) Ordinance (Cap.575)**

**Section 7 : Prohibition on provision or collection of funds to commit terrorist acts**

A person shall not provide or collect, by any means, directly or indirectly, funds-

- (a) with the intention that the funds be used; or
- (b) knowing that the funds will be used,

in whole or in part, to commit one or more terrorist acts (whether or not the funds are actually so used).

**United Nations (Anti-Terrorism Measures) Ordinance (Cap.575)**

**Section 8**

No person shall, except under the authority of a licence granted by the Secretary, make any funds or financial (or related) services available, directly or indirectly, to or for the benefit of a person knowing that, or being reckless as to whether, such person is a terrorist or terrorist associate.

**United Nations (Anti-Terrorism Measures) Ordinance (Cap.575)**

**Section 15(1)**

(1) Without prejudice to the generality of conditions and exceptions which may be specified in a licence mentioned in section 6(1)-

(a) such conditions may-

(i) relate to specifying the manner in which the property to which the licence relates shall be held from time to time;

(ii) relate to the appointment of a receiver to take possession of the property and to deal with it in a manner which preserves the value of the property or any other property into which it is converted; and

(iii) require a person holding the property to give possession of the property to a receiver, if any, appointed in respect of the property; and (Replaced 21 of 2004 s. 15)

(b) such exceptions may relate but are not limited to-

(i) the reasonable living expenses;

(ii) the reasonable legal expenses; and

(iii) the payments liable to be made under the Employment Ordinance

(Cap 57),

of any person by, for or on behalf of whom the funds are held.

**United Nations (Anti-Terrorism Measures) Ordinance (Cap.575)**

**Schedule 1**

1. Gold coin, gold bullion, cash, cheques, claims on money, drafts, money orders and other payment instruments.
2. Deposits with financial institutions or other entities, balances on accounts, debts and debt obligations.
3. Securities and debt instruments (including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures, debenture stock and derivatives contracts).
4. Interest, dividends or other income on or value accruing from or generated by property.
5. Credit, rights of set-off, guarantees, performance bonds or other financial commitments.
6. Letters of credit, bills of lading and bills of sale.
7. Documents evidencing an interest in funds or financial resources, and any other instrument of export financing.

## The Rules of High Court

### Order 117A, Rule 24

(1) An application under section 17(4) for the revocation or variation of a direction mentioned in section 6(10) or for the grant or variation of a licence mentioned in section 6(1) or 8 must be made—

(a) if in the Court there are existing proceedings conducted under the Ordinance in respect of the property, funds or financial (or related) services that is or are the subject of the application, by a summons; or

(b) if there are no such proceedings, by an expedited originating summons.

**Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Cap. 615)**

**Schedule 1, Part 1, section 1**

***terrorist financing*** (恐怖分子資金籌集) means—

(a) the provision or collection, by any means, directly or indirectly, of funds—

- (i) with the intention that the funds be used; or
- (ii) knowing that the funds will be used,

in whole or in part, to commit one or more terrorist acts (whether or not the funds are actually so used); or

(b) making available funds or financial (or related) services, directly or indirectly, to or for the benefit of a person knowing that, or being reckless as to whether, the person is a terrorist or terrorist associate.

**Schedule 1, Part 1, section 2**

In the definition of ***terrorist financing, funds*** (資金), ***terrorist*** (恐怖分子), ***terrorist act*** (恐怖主義行爲) and ***terrorist associate*** (與恐怖分子有聯繫者) have the meaning given by section 2(1) of the United Nations (Anti-Terrorism Measures) Ordinance (Cap. 575).