

15 September 2022

Amendments to “Notice to Customers and Others relating to the Personal Data (Privacy) Ordinance and Public Finance Limited’s Data Policy etc.” (the “Notice”)

Dear Valued Customers,

With effect from **1 November 2022**, our Notice will be amended in connection with the Multiple Credit Reference Agencies (“**MCRA**”) Model and Open API Framework (the “**Updated Notice**”). A copy of the Updated Notice is enclosed herewith for your perusal.

The Updated Notice explains how we collect, process and share your personal data as part of our services to you. We are required to handle your personal data in accordance with the Personal Data (Privacy) Ordinance (the “**PDPO**”).

The Updated Notice includes changes that relate to two important developments in Hong Kong:

MCRA Model

MCRA Model is an important new initiative developed by the Hong Kong Association of Banks, the DTC Association and the Hong Kong S.A.R. Licensed Money Lenders Association.

When you apply for a mortgage, loan or other credit product or service, we will seek a credit reference report about you from a consumer credit reference agency (“**CRA**”). CRAs collect information about your past and present borrowing from various creditors who have made loans to you, and then provide this information to potential new lenders to help them assess your creditworthiness. At present, there is only one CRA in Hong Kong. The MCRA Model enables lenders to share and use consumer credit data through more than one CRA.

Selected CRAs will not be allowed to transfer credit data outside Hong Kong without customer's consent under the requirements of the MCRA Model.

The MCRA Model will be launched by the end of 2022.

Phase III of the Open API Framework

Under the Hong Kong Monetary Authority’s Open API Framework, banks collaborate in the exchange of information with fintechs and other third party service providers (“**TSPs**”) using technology called application programming interfaces (“**API**”).

The Open API Framework has been introduced in phases. In January 2019, Phase I was launched. Phase I API allow banks to share public information about their products with TSPs.

Phase II of the Open API Framework was launched in October 2019. Phase II API allow banks to receive applications for bank products and services from customers through the customer’s interaction with a TSP.

Phase III of the Open API Framework was launched in March 2022 for corporate and SME customers and will be launched from June 2022 for retail customers. Phase III API allow banks to share customer account information with a TSP after obtaining your consent, for the purpose of enabling the TSP to provide services to you that you have subscribed. The customer account information that you have consented to share with TSPs, which may include your account balance and transaction information, is your personal data.

Summary of Changes in the Updated Notice

We have set out an overview of key changes in the Updated Notice below:

1. Changes in respect of MCRA Model

The Updated Notice include changes concerning the collection and disclosure of consumer credit data under the MCRA Model:

(a) Paragraph (c) – Collection of Personal Data from CRAs

Paragraph (c) of the Updated Notice refers to our receipt of personal data from CRAs as part of their consumer credit reporting services.

(b) Paragraph (e)(vi) – Disclosure of Data to Platform Operator

We have made it clear in paragraph (e)(vi) that as part of the MCRA Model, your consumer credit data may be transferred to the operator of a centralized platform forming part of MCRA.

(c) Paragraph (f), (i) to (l) and (o) – references to CRAs in plural (only applicable to the English version of the Updated Notice)

Paragraphs (f), (i) to (l) and (o) of the Updated Notice refer to CRAs in plural, reflecting that transfers of your consumer credit data will be made to multiple CRAs under the MCRA Model instead of just to one CRA.

2. Changes in respect of Phase III Open API collaborations

The Updated Notice also incorporates a new paragraph (h), which refers to your choice to engage TSPs to provide services to you using data obtained from us using our Phase III APIs. If instructed by you to do so, we will make a disclosure of your customer data to the TSP in accordance with the specific consent that you have given.

Please note that the wording of paragraph (h) refers to disclosures of your data to TSPs in very general terms. More specific consents and notifications will be separately obtained and made to you in order to meet the requirements of the PDPO.

Please contact us or your TSP if you have any questions about the use of your personal data as part of such services.

If you have any questions, please call our Customer Service Hotline at 2848-1888 or contact our branch staff.

Yours faithfully,
Public Finance Limited

This is a computer printout. No signature is required.

Note: In case of inconsistency between the English and Chinese versions of this Notice, the English version shall prevail.

Notice to Customers and Others relating to the Personal Data (Privacy) Ordinance and Public Finance Limited's Data Policy etc.

This Notice provides information regarding the policy and practice of Public Finance Limited (the "Company") in relation to personal and other data concerning Data Subjects.

- (a) From time to time, it is necessary for Data Subjects to supply the Company with data in connection with the opening or continuation of accounts and the establishment or continuation of credit facilities or provision of financial services.
- (b) Failure to supply such data may result in the Company being unable to open or continue accounts or establish or continue credit facilities or provide financial services.
- (c) It is also the case that data are collected from Data Subjects in the ordinary course of the continuation of the financial relationship (e.g. when customers write cheques or deposit money or apply for credit facilities or otherwise carry out transactions as part of the Company's services). The Company will also collect data relating to the Data Subject from third parties (e.g. from the Company's corporate customer in which the Data Subject is a shareholder director or other officer when the corporate customer opens an account with the Company, or from third party service providers with whom the Data Subject interacts in connection with the marketing of the Company's products and services and in connection with the customer's application for the Company's products and services (including receiving personal data from credit reference agencies approved for participation in the Multiple Credit Reference Agencies Model (hereinafter referred to as "credit reference agencies"))).
- (d) The purposes for which data relating to a Data Subject may be used are as follows:
- (i) provision of financial and other related services (including but without limitation to deposit, financing, investment management, dealing, advisory, financial planning and custody services) and operation of the services and credit facilities provided to Data Subjects;
 - (ii) conducting credit and other status checks, whether at the time of application for credit or regular or special reviews (which normally will take place one or more times each year) or otherwise;
 - (iii) considering and assessing the Data Subject's application for the Company's products and services;
 - (iv) processing applications for credit facilities and/or other financial services;
 - (v) creating and maintaining the Company's credit scoring and risk related models;
 - (vi) provision of reference (status enquires);
 - (vii) maintaining credit history of Data Subjects;
 - (viii) assisting other credit providers in Hong Kong approved for participation in the Multiple Credit Reference Agencies Model (hereinafter referred to as "credit providers") to conduct credit checks, collect and recover debts and enforce judgments;
 - (ix) ensuring ongoing credit worthiness of Data Subjects;
 - (x) designing and improving financial services or related products for Data Subjects' use;
 - (xi) marketing services, products and other subjects (please see further details in paragraph (g) below);
 - (xii) internal monitoring and control, including but without limitation to determining amounts owed to or by Data Subjects;
 - (xiii) enforcement of Data Subjects' obligations, including but without limitation to collection of amounts outstanding from Data Subjects and those providing security or otherwise acting as surety for the obligations of customers and other parties having liability to the Company;
 - (xiv) complying with the obligations, requirements or arrangements for disclosing and using data that apply to the Company or the Group Company or that it is expected to comply according to:
 - (1) any law binding or applying to it within or outside the Hong Kong Special Administrative Region existing currently and in the future (e.g. the Inland Revenue Ordinance and its provisions including those concerning automatic exchange of financial account information);
 - (2) any guidelines or guidance given or issued by any legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial services providers within or outside the Hong Kong Special Administrative Region existing currently and in the future (e.g. guidelines or guidance given or issued by the Inland Revenue Department including those concerning automatic exchange of financial account information); and
 - (3) any present or future contractual or other commitment with local or foreign legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial services providers that is assumed by or imposed on the Company or any of Group Company by reason of its financial, commercial, business or other interests or activities in or related to the jurisdiction of the relevant local or foreign legal, regulatory, governmental, tax, law enforcement or other authority, or self-regulatory or industry bodies or associations;
 - (xv) complying with any obligations, requirements, policies, procedures, measures or arrangements for sharing data and information within the group of the Company and/or any other use of data and information in accordance with any group-wide programmes for compliance with sanctions or prevention or detection of money laundering, terrorist financing or other unlawful activities;
 - (xvi) enabling an actual or proposed assignee of the Company, or participant or sub-participant of the Company's rights in respect of the Data Subject to evaluate the transaction intended to be the subject of the assignment, participation or sub-participation;
 - (xvii) conducting matching procedures (including related comparisons), whether for credit checking, data verification or otherwise and whether or not for and/or would result in adverse actions against the Data Subjects;
 - (xviii) responding to requests for information made for the purpose of complying with legal and/or regulatory requirements or by the court, the police, the law enforcement, supervisory or regulatory authority;
 - (xix) research and statistical analysis (including behavioral analysis);
 - (xx) all other incidental and associated purposes relating to any of the foregoing purposes.
- (e) Data (except data already in the public domain) held by the Company relating to a Data Subject will be kept confidential but the Company may provide such information to the following parties for any of the purposes set out in paragraph (d) above, irrespective of whether the place of business of the recipient is within or outside Hong Kong, whether or not the data would be transferred outside Hong Kong and whether the data will following such disclosure be collected, held, processed or used by such recipient in whole or in part outside Hong Kong :

- (i) any agent, any contractor, third party service provider, adviser or consultant who provides administrative, telecommunications, computer, data processing and analysis, payment, securities clearing, debt collection, valuation, research, legal, financial, accounting, audit or other services to the Company or any Group Company in connection with the operation of their respective business;
 - (ii) any Group Company and any other person who has expressly or impliedly undertaken to keep such information confidential or otherwise is under a duty of confidentiality to the Company;
 - (iii) any financial or other institution, credit charge or other card company with which the Data Subject has or proposes to have dealings;
 - (iv) the drawee bank providing a copy of a paid cheque (which may contain information about the payee) to the drawer;
 - (v) third party service providers with whom the Data Subject has chosen to interact with in connection with the customer's application for the Company's products and services;
 - (vi) credit reference agencies (including the operator of any centralized database used by credit reference agencies), and, in the event of default, to debt collection agencies;
 - (vii) any person to whom the Company or any Group Company is under an obligation or otherwise required to make disclosure under the requirements of any law, rule, regulation and court order binding on or applying to the Company or any Group Company or any disclosure under and for the purposes of any guidelines or guidance given or issued by any legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies, or associations of financial services providers with which the Company or any Group Company is expected to comply, or any disclosure pursuant to any contractual or other commitment of the Company or any Group Company with local or foreign legal, regulatory, governmental, tax, law enforcement or other authorities, or self-regulatory or industry bodies or associations of financial services providers, all of which may be within or outside the Hong Kong Special Administrative Region and may be existing currently and in the future;
 - (viii) any party giving or proposing to give a guarantee or third party security to guarantee or secure the Data Subject's obligations;
 - (ix) any party making any request mentioned in paragraph (d)(xvii) above;
 - (x) any actual or proposed assignee of the Company or participant or sub-participant or transferee of the Company's rights in respect of the Data Subject;
 - (xi)
 - (1) Group Company;
 - (2) third party financial institutions, insurers, credit card companies, securities and investment services providers;
 - (3) third party reward, loyalty, co-branding and privileges programme providers;
 - (4) co-branding partners of the Company and Group Company (the names of such co-branding partners can be found in the application form(s) for the relevant services and products, as the case may be);
 - (5) charitable or non-profit making organizations; and
 - (6) external service providers (including but not limited to mailing houses, telecommunication companies, telemarketing and direct sales agents, call centres, data processing companies, and information technology companies) that the Company engages for the purposes set out in paragraph (d)(xi) above. Such information may be transferred to a place outside Hong Kong; and
 - (xii) legal and other professional advisers of any party mentioned in paragraphs (e)(i) to (e)(xi) above.
- (f) With respect to data in connection with mortgages applied by Data Subjects (whether as a borrower, mortgagor or guarantor and whether in the Data Subjects' sole name or in joint names with others) on or after 1 April 2011, the following data relating to Data Subjects (including any updated data of any of the following data from time to time) may be provided by the Company, on its own behalf and/or as agent, to credit reference agencies:
- (i) full name;
 - (ii) capacity in respect of each mortgage (as borrower, mortgagor or guarantor, and whether in the Data Subjects' sole name or in joint names with others);
 - (iii) Hong Kong Identity Card Number or travel document number;
 - (iv) date of birth;
 - (v) correspondence address;
 - (vi) mortgage account number in respect of each mortgage;
 - (vii) type of the facility in respect of each mortgage;
 - (viii) mortgage account status in respect of each mortgage (e.g., active, closed, write-off (other than due to a bankruptcy order), write-off due to a bankruptcy order); and
 - (ix) if any, mortgage account closed date in respect of each mortgage.

Credit reference agencies will use the above data supplied by the Company for the purposes of compiling a count of the number of mortgages from time to time held by Data Subjects with credit providers, as borrower, mortgagor or guarantor respectively and whether in the Data Subjects' sole name or in joint names with others, for sharing in the consumer credit databases of credit reference agencies by credit providers (subject to the requirements of the Code of Practice on Consumer Credit Data approved and issued under the Personal Data (Privacy) Ordinance (the "Ordinance")).

(g) USE OF DATA IN DIRECT MARKETING

The Company intends to use Data Subjects' data in direct marketing and the Company requires the Data Subjects' consent (which includes an indication of no objection) for that purpose. In this connection, please note that:

- (i) the name, contact details, products and services portfolio information, transaction pattern and behaviour, financial background and demographic data of Data Subjects held by the Company from time to time may be used by the Company in direct marketing;
- (ii) the following classes of services, products and subjects may be marketed:
 - (1) financial, insurance, credit card and related services and products;
 - (2) reward, loyalty or privileges programmes and related services and products;
 - (3) services and products offered by the Company's or the Group Company's co-branding partners (the names of such co-branding partners can be found in the application form(s) for the relevant services and products, as the case may be); and
 - (4) donations and contributions for charitable and/or non-profit making purposes;
- (iii) the above services, products and subjects may be provided or (in the case of donations and contributions) solicited by the Company and/or:
 - (1) the Group Company;

- (2) third party financial institutions, insurers, credit card companies, securities and investment services providers;
 - (3) third party reward, loyalty, co-branding or privileges programme providers;
 - (4) co-branding partners of the Company and the Group Company (the names of such co-branding partners can be found in the application form(s) for the relevant services and products, as the case may be); and
 - (5) charitable or non-profit making organisations;
- (iv) in addition to marketing the above services, products and subjects itself, the Company also intends to provide the data described in paragraph (g)(i) above to all or any of the persons described in paragraph (g)(iii) above for use by them in marketing those services, products and subjects, and the Company requires Data Subjects' written consent (which includes an indication of no objection) for that purpose;
 - (v) The Company may receive money or other property in return for providing the data to the other persons in paragraph (g)(iv) above and, when requesting the Data Subjects' consent or no objection as described in paragraph (g)(iv) above, the Company will inform the Data Subjects if it will receive any money or other property in return for providing the data to the other persons.

If any individual does not wish the Company to use or provide to other persons his/her data for use in direct marketing as described above, he/she may exercise his/her opt-out right by notifying the Company.

(h) TRANSFER OF PERSONAL DATA TO CUSTOMER'S THIRD PARTY SERVICE PROVIDERS USING COMPANY'S APPLICATION PROGRAMMING INTERFACES (API)

The Company may, in accordance with the Data Subject's instructions to the Company or third party service providers engaged by the Data Subject, transfer Data Subject's data to third party service providers using the Company's API for the purposes notified to the Data Subject by the Company or third party service providers and/or as consented to by the Data Subject in accordance with the Ordinance.

- (i) Under and in accordance with the Ordinance and the Code of Practice on Consumer Credit Data, any individual has the right:
 - (i) to check whether the Company holds data about him/her and of access to such data;
 - (ii) to require the Company to correct any data relating to him/her which is inaccurate;
 - (iii) to ascertain the Company's policies and practices in relation to personal data and to be informed of the kind of personal data held by the Company;
 - (iv) to be informed on request which items of data are routinely disclosed to credit reference agencies or in the event of default to debt collection agencies, and be provided with further information to enable the making of a data access and/or correction requests to the relevant credit reference agency(ies) or debt collection agency(ies); and
 - (v) in relation to any account data (including, for the avoidance of doubt, any account repayment data) which has been provided by the Company to a credit reference agency, to instruct the Company, upon termination of the account by full repayment, to make a request to the credit reference agency to delete such account data from its database, as long as the instruction is given within five years of termination and at no time was there any default of payment in relation to the account, lasting in excess of 60 days within five years immediately before account termination. Account repayment data include amount last due, amount of payment made during the last reporting period (being a period not exceeding 31 days immediately preceding the last contribution of account data by the Company to the credit reference agency), remaining available credit or outstanding balance and default data (being amount past due and number of days past due, date of settlement of amount past due, and date of final settlement of amount in default lasting in excess of 60 days (if any)).
- (j) In the event of any default of payment relating to an account, unless the amount in default is fully repaid or written off (other than due to a bankruptcy order) before the expiry of 60 days from the date such default occurred, the account repayment data (as defined in paragraph (i)(v) above) may be retained by credit reference agencies until the expiry of five years from the date of final settlement of the amount in default.
- (k) In the event any amount in an account is written-off due to a bankruptcy order being made against a customer, the account repayment data (as defined in paragraph (i)(v) above) may be retained by credit reference agencies, regardless of whether the account repayment data reveal any default of payment lasting in excess of 60 days, until the expiry of five years from the date of final settlement of the amount in default or the expiry of five years from the date of discharge from a bankruptcy as notified by the customer with evidence to credit reference agency(ies), whichever is earlier.
- (l) The Company may access the databases of any credit reference agencies for the purpose of conducting credit reviews from time to time. In particular, the Company may access the consumer credit data of customers held by any credit reference agency(is) and/or obtain credit reports on customers from such credit reference agency(is) for the purpose of the review of their existing consumer credit facilities (including, without limitation, personal instalment loan accounts) which review may involve the consideration by the Company of any of the following matter: -
 - (i) an increase in the credit amount or limit;
 - (ii) the curtailing of credit (including the cancellation of credit or termination of account or a decrease in the credit amount or limit); or
 - (iii) the putting in place or the implementation of a scheme of arrangement with customers.
- (m) The Company may charge a reasonable fee for the processing of any data access request (whether or not by virtue of exercise of its right under the Ordinance).
- (n) In relation to the rights of individuals as mentioned in paragraphs (i)(i) to (i)(iii) above, the person to whom requests for access to data or correction of data or for information regarding policies and practices and kinds of personal data held are to be addressed is as follow:-

The Data Protection Officer
 Public Finance Limited
 11/F, Wing On House
 71 Des Voeux Road Central
 Hong Kong

Tel.: (852) 2525 9351
 Fax: (852) 2845 0681

- (o) The Company may have obtained a credit report(s) on the Data Subject from a credit reference agency(ies) in considering any application for credit. In the event that the Data Subject informs the Company that he/she wishes to access the credit report(s), the Company will advise the contact details of the relevant credit reference agency(ies).
- (p) Data Subject may, at any time, choose not to receive the Company's promotional material. Data Subject should notify the Company of such choice.
- (q) Nothing in this Notice shall limit the rights of Data Subjects under the Ordinance.

In this Notice, unless the context does not permit or otherwise requires,

"Group Company" means any company which is a member of the group of companies to which the Company belongs;

"Consumer Credit" has the meaning ascribed thereto under the Code of Practice on Consumer Credit Data (i.e. any loan, overdraft facility or other kind of credit provided by the Company to and for the use of an individual, or to and for the use of another person for whom an individual acts as guarantor);

"Data Subjects" means customers of the Company and other parties whose data have been supplied to (whether by themselves or otherwise) or otherwise held or obtained by the Company, including but without limitation to applicants for financial services and credit facilities, sureties, suppliers, contractors and service providers of the Company (whether the prospective or the actual ones), officers, representatives, managers, partners of any company, partnership, association or organization having relationship with the Company;

the **"Company"** means Public Finance Limited (including all its branches and offices, whether within or outside Hong Kong) and its successors and assigns.

Notes:

1. **By using or continuing to use any of the Company's services and products (including but without limitation to opening and maintaining any account with the Company), providing information about the Data Subject himself/herself/itself, acting as surety for the liability of any other party to the Company, providing service to, entering into commercial or other contractual arrangements with the Company, a Data Subject is deemed to have accepted and agreed to the arrangements set out and to be bound by the provisions herein unless there is evidence to prove that the Data Subject has not received this Notice beforehand and has not become bound by any terms and conditions which make reference to this Notice or incorporate this Notice by reference.**
2. This Notice may from time to time be revised and updated by the Company and prior notice of the amendments will be given.
3. Whether or not a copy of the latest version of this Notice has been provided by the Company to a Data Subject or a prospective Data Subject, the Data Subject and the prospective Data Subject are welcome to obtain the latest version thereof from any branch of the Company in Hong Kong or by calling the Company's Customer Service Hotline (852) 2848 1888 or by downloading from the Company's website: www.publicfinance.com.hk.
4. In the event of any conflict or inconsistency between the Chinese and English versions of this Notice, the English version shall prevail.

Public Finance Limited

如需索取中文版本，請致電(852) 2848 1888 與大眾財務職員聯絡。