

Latest Security Measures for Internet Banking

We take this opportunity to thank you for your passionate support for our Internet Banking Service.

We strive to strengthen the security control of our Internet Banking Service. We currently adopt the e-certificate issued by the Hong Kong Post as a two-factor authentication arrangement when conducting designated high-risk transactions over the internet. With effect from 14/11/2009 (Note 1), we take the following security measures to excel our services and further safeguard your internet banking transactions.

1. Register Your Designated Mobile Phone Number for SMS Alert Service

In the interests of online security, when customers use two-factor authentication to complete a high-risk transaction (Note 2) through the internet banking, we will send a SMS message to inform customers of the transaction details. For the purpose of receiving the SMS message, customers have to apply for the SMS Alert Service and register a designated mobile phone number so that we will be able to dispatch the SMS message accordingly. **E-certificate holders are not allowed to transact high-risk transactions through the internet banking unless they register the SMS Alert Service.** Please visit any of our sub-branches to apply for the service from 16/11/2009. The service will be effective on 16/11/2009.

2. SMS One-time Password Service

In addition to the e-certificate, we are launching a SMS One-time Password Service as an two-factor authentication arrangement to make internet banking service more secured and simple. As long as customers trigger a high-risk transaction in the internet banking, we will send to their registered mobile phone a SMS containing a one-time password together with the transaction details. Each password is used only for a designated transaction and will expire after 100 seconds. Only if customers input this password on the web page can the transaction be initiated. On completion, we will send customers another SMS message about the completed transaction according to the SMS Alert Service. **From 16/11/2009, customers are welcome to go to any of our sub-branches to apply for the service.**

3. Suspension of the Un-registered Third Party Fund Transfer and Bill Payment Service

If customers have not used the internet banking for fund transfer to un-registered third party accounts (Note 3) and bill payment service (Note 4) successfully in the past twelve months after registered SMS Alert Service, we will temporarily suspend the above services for security reasons until customers visit any of our branches to reactivate the services.

If you have any queries of the above, please feel free to contact our Customer Services Hotline at 22 699 699 during office hours.

Note 1: System and security enhancement will be finished after 9pm. The bank reserves the right for the time of system enhancement.

Note 2: Internet Banking High-Risk Transactions include

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| I. Fund transfer to un-registered BOCOM accounts/local bank accounts/overseas bank accounts; | II. Update personal information; |
| III. Bill payment (Merchant categories which belong to banking and credit card services, credit services and securities brokers); | IV. Accounts opening; |
| V. Any other transaction types as prescribed by the Bank from time to time; | VI. Change statement mailing instruction. |

Note 3: Fund transfer to un-registered BOCOM accounts/local bank accounts/overseas bank accounts.

Note 4: Merchant categories which belong to banking and credit card services, credit services and securities brokers.

14/10/2009