

**For Immediate Release**

**BEA Introduces New Tax Loan Programme**  
***Successful Applicants Receive a Special APR as low as 4.10%***

**Hong Kong, 17 November 2003** – The Bank of East Asia (BEA) today announces the launch of its 2003-04 Tax Loan Programme. Privileged customers who apply now can enjoy an interest rate as low as 0.0983% per month flat (APR: 4.10%) while the rate for general customers can be as low as 0.17% per month flat (APR: 5.75%). Successful applicants can also enjoy escalating personal overdraft service upon repayment of instalments for at least six months, with no overdue record.

Under the new Tax Loan Programme, the maximum loan amount is HK\$1,000,000, 150% of a customer's tax bill, or five times a customer's monthly salary, whichever is the lowest. The repayment tenor is up to 18 months and full loan proceeds will be credited to the successful applicant's BEA bank account, which provides the customer with full control over his or her personal finances.

The application form for the Tax Loan Programme provides interest rate information for different customer groups in clear detail, thereby enabling applicants to easily determine what interest rates they are entitled to. To enjoy the lowest annualised percentage of 4.10% (inclusive of an arrangement fee of 1% on the loan amount), BEA's privileged customers need only to apply for a loan amount of HK\$100,000 or above. See the attached table for details.

An applicant can also request Personal Overdraft or Professional Overdraft facilities when applying for the Tax Loan. Once approved, the credit limit will be available in the customer's account on a pre-designated date. Additional standby cash may be provided for added financial support. As the interest calculation for the overdraft facility is based on the utilised portion of the credit limit, customers do not need to bear the cost of interest if they simply use the facility for standby purposes. BEA will also fully waive the arrangement fee and provide an interest rate concession during the first year of overdraft services.

A husband and wife may elect to jointly apply, making it easier for them to qualify for lower interest rates, as the interest on the loan will be calculated on the total tax bill payable by the couple. For example, a homeownership couple with tax bills of HK\$40,000 and HK\$60,000 applying separately will be charged at 0.1686% (APR: 5.72%) and 0.1095% (APR: 4.35%) per month flat respectively. Under the joint application scheme, however, the interest charged will be based on the couple's total tax bill amount (i.e. HK\$100,000) and the entire loan amount will be charged at 0.0983% (APR: 4.10%). Thus, joint application will enable the couple to save 26% on interest expenses.

**Monthly Repayment Table (for a 12-month repayment period)**

Loan Amount (HK\$)	Privileged Customers <sup>1</sup>		General Customers	
	Interest Rate Per Month Flat	Monthly instalment amount (HK\$) for every loan amount of HK\$1,000 <sup>2</sup> (Annualised Percentage Rate <sup>2</sup> )	Interest Rate Per Month Flat	Monthly instalment amount (HK\$) for every loan amount of HK\$1,000 <sup>2</sup> (Annualised Percentage Rate <sup>2</sup> )
5,000 - 19,999	0.3491%	87.69 (9.95%)	0.4121%	88.33 (11.45%)
20,000 - 49,999	0.1686%	85.87 (5.72%)	0.2331%	86.52 (7.22%)
50,000 - 99,999	0.1095%	85.27 (4.35%)	0.1785%	85.97 (5.95%)
<b>100,000 - 499,999</b>	<b>0.0983%</b> <sup>3</sup>	85.16 ( <b>4.10%</b> )	<b>0.17%</b>	85.88 ( <b>5.75%</b> )
500,000 - 1,000,000	0.1095%	85.27 (4.35%)	0.1750%	85.93 (5.86%)

**Remarks:**

- Privileged customers include professionals (such as doctors, accountants, solicitors, surveyors and engineers), existing customers of BEA's Consumer Finance Department, SupremeGold customers, affinity credit cardholders (excluding student cardholders), BEA's payroll account customers with monthly basic incomes of HK\$25,000 or above, fixed salary earners with monthly basic incomes of HK\$50,000 or above, private property home owners, permanent staff of Hospital Authority or teachers of the Hong Kong Professional Teachers' Union with monthly basic salaries of HK\$25,000 or above.
- Annualised Percentage Rate (APR), based on a 12-month repayment period, is calculated according to the standard method set out in the Code of Banking Practice. APRs and monthly instalment amounts in the monthly repayment table already include repayment of a non-refundable arrangement fee calculated as an additional loan at 1% on the loan amount. A non-refundable arrangement fee of 1.25% on the loan amount and 2.05% p.a. on the loan amount will be charged for a repayment period of less than 12 months and a repayment period of more than 12 months respectively. For the APRs and monthly repayment amounts of other repayment terms, please refer to the Tax Loan leaflet for more details.
- An interest rate of 0.0983% per month flat is available to applicants with loan amounts not exceeding 100% of the tax bill. For applicants with loan applications exceeding 100%, the entire loan amount will be charged at 0.1095% per month flat.
- The overdraft facility will come into effect after the customer has repaid the first 6 instalments of the Tax Loan and has maintained the loan account with no past due records. Application for this facility is only available to those who have not maintained an overdraft facility with BEA in the past 6 months.

Applying for a BEA Tax Loan is simple and fast. Applicants can submit applications to any BEA branch, or call the BEA Enquiry Hotline for instant application. For further details, please call the BEA's enquiry hotline on 2211 1211.

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