**Press Release**

**The Hong Kong Mortgage Corporation Limited**

**Implementation of the Model Mortgage Deed**

The HKMC formed a Steering Committee in May 2000 to co-ordinate preparation of the Model Mortgage Origination Documents. After one year's intensive preparatory drafting and extensive consultation of the public on the draft documents, the Model Mortgage Deed and the Model Deed of Guarantee and Indemnity were formally launched by the Steering Committee in 2001. The banking industry has in general responded favourably to the Model Mortgage Origination Documents. Many banks have started making preparation for the adoption of the Model Mortgage Origination Documents.

Mr. Peter Pang, Chief Executive Officer of the HKMC, said, "the HKMC welcomes the adoption of the Model Mortgage Deed by the HSBC. The use of the Model Mortgage Deed will help to raise industry standard in terms of improving greater transparency and efficiency as the Model Mortgage Deed encapsulates best market practice. As the Model Mortgage Deed is written in plain English and accompanied by a Chinese translation, its simplicity and user-friendliness will no doubt be greatly welcomed by the homebuyers. We very much hope that the lead taken by the HSBC will set an example for other banks to follow".

The Hong Kong Mortgage Corporation Limited
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