

**Module Outline**  
**Certified Banker (Stage I)**  
**Introduction to Banking Law**

<b>Benchmarked HKQF Level:</b>	4
<b>No. of Credits:</b>	10
<b>Total Notional Learning Hours:</b>	100
<b>a) Class contact hours:</b>	9 hours (3-hour per session x 3)
<b>b) Self-study hours:</b>	89.5 hours
<b>c) Assessment hours:</b>	1.5 hours
<b>Pre-requisite:</b>	NA

**Module Objective**

This module aims to equip learners with the fundamental but essential knowledge on the general principles of legal concepts related to banking and finance. It also helps them to understand the relevant application of laws and regulations, and to comply with relevant laws, regulations and internal policies.

**Module Intended Outcomes (MIOs) and Units of Competencies (UoCs)**

Upon completion of the Module, candidates should be able to:

MIOs	Intended Outcomes / Competence	*Unit of Competencies (UoCs)
MIO-1	Apply relevant laws and regulations, and comply with internal policies relating to the banking industry when executing tasks, tackling business issues, and handling requests from law enforcement agencies and regulatory bodies.	107295L4 107395L4 109615L4
MIO-2	Develop a fair and cordial banker-customer relationship through the application of relevant laws, regulations and codes of conduct.	
MIO-3	Understand the rights and liabilities of the bank and its customers when dealing with negotiable instruments in order to comply with the legal requirements.	

*\*Note: For the details of the UoCs, please refer to the Specification of Competency Standards (SCS) of [Retail Banking](#) and [Corporate & Commercial Banking](#) which were developed by HKCAAVQ.*

## Assessment

<b>Examination duration:</b>	1.5 hours
<b>Examination format:</b>	Multiple Choice Questions (MCQ) with 50 questions
<b>Pass mark:</b>	70%

## Syllabus

<b>Chapter 1: Basic Legal Principles</b>	
<b>1.1</b>	<b>Law and Ordinance in the Banking Industry</b>
1.1.1	- Introduction
1.1.2	- The Basic Law of the HKSAR
1.1.3	- Legislation
1.1.4	- Common law & equity
1.1.5	- Regulatory guidelines
<b>1.2</b>	<b>Law of Contract in Banking and Other Relevant Banking Laws</b>
1.2.1	- The essential of a valid contract
1.2.2	- Intention to create legal relations
1.2.3	- Formalities: forms of a contract
1.2.4	- Capacity
1.2.5	- Terms of a contract
1.2.6	- Misrepresentation
1.2.7	- Undue influence
1.2.8	- Discharge of a contract
1.2.9	- Effect of breach of contract
1.2.10	- Limitation of action
<b>1.3</b>	<b>Regulation and Bills of Exchange</b>
1.3.1	- Trust law
1.3.2	- Insolvency law
1.3.3	- Land law relating to mortgages
1.3.4	- Agency law
1.3.5	- Law of guarantee
<b>Chapter 2: Regulatory Framework in Banking and Financial Markets</b>	



<b>2.1</b>	<b>Regulatory Framework</b>
2.1.1	- Purposes and cause of regulation
2.1.2	- Role of the regulatory bodies
2.1.3	- Relationship between regulations and governmental policy
<b>2.2</b>	<b>Major Statutory and Regulatory Requirements</b>
2.2.1	- Banking Ordinance
2.2.2	- Securities and Futures Ordinance
2.2.3	- Insurance Companies Ordinance
2.2.4	- Supervisory regime – (Basel) International standards
2.2.5	- Banking Compliance
<b>Chapter 3: Negotiable Instruments</b>	
<b>3.1</b>	<b>Introduction</b>
3.1.1	- Types of negotiable instruments
3.1.2	- Rights and liabilities of parties
<b>3.2</b>	<b>Cheques</b>
3.2.1	- General features of Cheques
3.2.2	- Collection of cheques
3.2.3	- Payment of cheques

## Recommended Readings

### ***Essential Readings:***

1. HKIB Study Guide of CB (Stage I) – IBL: Introduction to Banking Law. (2023).

### ***Supplementary Readings***

NIL

### ***Further Readings***

1. Claire Wilson. (2016). Banking Law and Practice in Hong Kong. Sweet & Maxwell.
2. E-learning on HKIB Website: <https://secure.kesdee.com/ksdlms/?Partner=HKIB>
  - Anti Money Laundering (Course No. 1)
  - Basel III (Course No. 7)

To be further updated upon completion of content development / enhancement.