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### The Three-tier Banking System

Hong Kong Monetary Authority

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HONG KONG MONETARY AUTHORITY  
香港金融管理局

# The Three-tier Banking System

Any corporation hoping to operate a banking business or a business of taking deposits must obtain a licence issued by the HKMA. Hong Kong maintains a three-tier system of deposit-taking institutions, comprising licensed banks, restricted licence banks, and deposit-taking companies. They are classified according to the amount and term of deposits accepted and the nature of the business, and are collectively known as [authorized institutions](#).

Type of Deposit-taking Institutions	Licensed Banks	Restricted Licence Banks	Deposit-taking Companies
Business	<ul style="list-style-type: none"> <li>• Operate current and savings accounts;</li> <li>• Accept deposits of any size and maturity from the public;</li> <li>• Pay or collect cheques drawn by or paid in by customers; and</li> <li>• Use the name “bank” without restriction</li> </ul>	<ul style="list-style-type: none"> <li>• Principally engaged in merchant banking and capital market activities; and</li> <li>• May take deposits of any maturity of HK\$500,000 and above</li> </ul>	<ul style="list-style-type: none"> <li>• Mostly owned by, or otherwise associated with, banks;</li> <li>• Engage in a range of specialised activities, including consumer finance, commercial lending and securities business; and</li> <li>• May take deposits of HK\$100,000 or above with an original term of maturity of at least three months</li> </ul>


Type of Deposit-taking Institutions	Licensed Banks	Restricted Licence Banks	Deposit-taking Companies
List of Institutions	 <a href="#">List of licensed banks</a>	 <a href="#">List of restricted licence banks</a>	 <a href="#">List of deposit-taking companies</a>

## Local Representative Offices

Overseas banks may establish local representative offices in Hong Kong. However, these offices are not allowed to engage in any banking business and their role is confined mainly to liaison work with its customers in Hong Kong.

 [List of local representative offices \(EXCEL File, 31.0 KB\)](#)

## Addresses of Authorized Institutions and Local Representative Offices

 [Contact details of authorized institutions and local representative offices \(EXCEL File, 103.5 KB\)](#)

## Related Information

 [Register of AIs and LROs](#)

## inSight Article(s)

21 Jun 2018  [Arthur Yuen on Beware of Representations Using the Description “Bank”](#)

## Monthly Statistical Bulletin

[🔗 Latest number of authorized institutions and local representative offices](#)

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