

Chapter:	91D	LEGAL AID (CHARGE ON PROPERTY)(RATE OF INTEREST) REGULATION	Gazette Number	Version Date
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		Empowering section	L.N. 22 of 2006	01/06/2006
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(Cap 91, section 28)

[1 June 2006] *L.N. 22 of 2006*

(Originally L.N. 225 of 2005)

Section:	1	(Omitted as spent)	L.N. 22 of 2006	01/06/2006
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(Omitted as spent)

Section:	2	Interpretation	L.N. 22 of 2006	01/06/2006
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In this Regulation—

"BLR" (最優惠利率), in relation to a day, means the arithmetic mean of the best lending rate quoted by each note-issuing bank on that day;

"HKDISR" (港元利息結算率), in relation to a quotation day, means the 12-month Hong Kong Dollar Interest Settlement Rate quoted by The Hong Kong Association of Banks in respect of that day;

"interest period" (利率期) means any 12-month period commencing on 1 June in a year;

"Monthly BLR" (當月最優惠利率), in relation to a month, means the arithmetic mean of the BLR on all days within that month;

"Monthly HKDISR" (當月港元利息結算率), in relation to a month, means the arithmetic mean of the HKDISR on all quotation days within that month;

"note-issuing bank" (發鈔銀行) has the meaning assigned to it in section 2 of the Legal Tender Notes Issue Ordinance (Cap 65);

"quotation day" (公布日) means a day on which The Hong Kong Association of Banks makes a quotation for the 12-month Hong Kong Dollar Interest Settlement Rate in respect of that day.

Section:	3	Prescribed rate of interest	L.N. 22 of 2006	01/06/2006
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(1) Subject to subsection (3), for the purposes of section 18A(3B)(b) of the Ordinance, the prescribed rate of interest, in relation to an interest period, shall be an annual rate—

- (a) calculated in accordance with the formula set out in subsection (2); and
- (b) rounded to 3 decimal places.

(2) The formula referred to in subsection (1) is—

$$\text{BLR (1 April)} - (\text{Monthly BLR (120 months)} - \text{Monthly HKDISR (120 months)}),$$

where

- (a) "BLR (1 April)" is the BLR on 1 April of the year in which the interest period commences;
- (b) "Monthly BLR (120 months)" is the arithmetic mean of the Monthly BLR of all months within the 120-month period ending on 31 March of the year in which the interest period commences;
- (c) "Monthly HKDISR (120 months)" is the arithmetic mean of the Monthly HKDISR of all months within the 120-month period ending on 31 March of the year in which the interest period commences.

(3) Where the annual rate calculated in accordance with the formula set out in subsection (2) is less than zero, the prescribed rate of interest, in relation to the interest period, shall be zero.