



# **Business and Risk Management Questionnaire ("BRMQ")**



## Introduction

- Sections 3(1)(c) and 3(3)(c) of the Securities and Futures (Accounts and Audit) Rules (“The Accounts and Audit Rules”) require a Licensed Corporation (“LC”) and an Associated Entity of an Intermediary (“AE”) to prepare the BRMQ in respect of each financial year



## Introduction

- BRMQ aims to obtain information about the business operation and risk management measures of LC and AE
- BRMQ can also be used as a self assessment tool
- BRMQ for LC and AE (both English and Chinese versions) are available for download from the SFC's website



## Points To Note

- LC and AE are required to submit the BRMQ for the accounting periods ending on or after 1 April 2003
- The Accounts and Audit Rules do not require the auditors to audit the BRMQ
- LC and AE should elaborate or clarify the answer in the “Supplementary Information” box specified in each section of the BRMQ



## Points To Note

- BRMQ should be completed by staff, who is in charge of relevant function and has sufficient knowledge about the business operation and risk management measures
- Senior management of LC or AE, such as responsible officer of a LC or executive officer of an AE, should critically review the BRMQ before final approval



## Points To Note

The following questions are applicable to certain type of business activities of LC or AE:-

	LC	AE
Branch operation in HK	Q6	-
Receiving and holding client money in HK	Q20 – 24	Q7 - 10
Receiving and holding client securities in HK	Q25 – 30	Q11 – 13
Engaging in proprietary trading	Q35 – 38	-



# Q & A