

# Abbreviations and Index

## Abbreviations

Australian Securities and Investments Commission	ASIC	Hong Kong Futures Exchange Ltd	HKFE
Automated Trading Services	ATS	Hong Kong Institute of Chartered Public Accountants	HKICPA
China Insurance Regulatory Commission	CIRC	Hong Kong Monetary Authority	HKMA
China Securities Regulatory Commission	CSRC	Hong Kong Special Administrative Region	HKSAR
Collective investment schemes	CIS	International Organization of Securities Commissions	IOSCO
Court of Final Appeal	CFA	Legislative Council	LegCo
Dubai Financial Services Authority	DFSA	Lehman Brothers	LB
Executive Directors, SFC	EDs	Mandatory Provident Fund Schemes Authority	MPFA
Exchange Participants	EPs	Memorandum of Understanding	MOU
Exchange-traded funds	ETFs	Non-Executive Directors, SFC	NEDs
Financial Industry Regulatory Authority, US	FINRA	Process Review Panel	PRP
Financial Services and Treasury Bureau	FSTB	Qualified Domestic Institutional Investor Scheme	QDII
Financial Services Authority, UK	FSA	Real Estate Investment Trust	REIT
Financial Stability Board	FSB	Securities and Exchange Commission, US	SEC
Group of Twenty	G-20	Securities and Futures Appeals Tribunal	SFAT
Growth Enterprise Market	GEM	Securities and Futures Commission	SFC
Hong Kong Exchanges and Clearing Ltd	HKEx	Securities and Futures Ordinance	SFO
		The Stock Exchange of Hong Kong Ltd	SEHK

## Index

The index does not include references in the milestones, financial statements and tables of data and committees which are defined or explained when used.

<b>A</b>		<b>B</b>	
<b>"Accumulator" products</b>	p. 4	<b>Black-out period</b>	A period during which a director is prohibited from dealing in securities of the listed company from the end of each of the listed company's financial periods to the date that the listed company publishes the relevant financial results. pp. 5, 37
<b>Advisory Committee, SFC</b>	pp. 11, 12, 13, 15	<b>Boiler room</b>	Fraud in which unscrupulous but plausible salespeople cold call potential investors and use high pressure sales tactics to persuade them to buy real or bogus investments. pp. 50, 53
<b>Alert List, SFC</b>	A list of entities which have come to the attention of the SFC because they are unlicensed in Hong Kong and are believed to be, or have been, targeting Hong Kong investors or claim to have an association with Hong Kong. pp. 51, 52	<b>C</b>	
<b>Asian financial crisis</b>	pp. 8, 59	<b>Chief Executive, HKSAR</b>	p. 12
<b>Audit Committee, SFC</b>	pp. 11, 13, 16, 17, 18, 19	<b>China Insurance Regulatory Commission (CIRC)</b>	The authorised department under the State Council that governs the insurance sector of China. p. 43
<b>Australian Securities and Investments Commission (ASIC)</b>	An independent government body that enforces company and financial services laws to protect consumers, investors and creditors in Australia. pp. 15, 44, 45	<b>China Securities and Regulatory Commission (CSRC)</b>	The authorised department under the State Council that governs the securities and futures markets of China. pp. 43, 60, 61, 62
<b>Automated trading services (ATS)</b>	Services provided by means of electronic facilities (except those provided by a recognised exchange company or clearing house) whereby offers to sell or purchase securities or futures contracts are regularly made or accepted in a way that results in a binding transaction in accordance with established methods. p. 41		

# Abbreviations and Index

## Closing auction session

A trading session from 4:00pm to 4:10pm during which at-auction orders (without specified prices) and at-auction limit orders (with specified prices) are accepted from 4:00pm to 4:08pm, and from 4:08pm to 4:10pm, only at-auction orders are accepted. Order matching commences at 4:10pm. The closing price will be set based on the price at which the aggregate size of buy and sell orders matched is the largest.

p. 37

## Code of Conduct, SFC

p. 19

## Codes on Takeovers and Mergers and Share Repurchases

pp. 36, 42

## Collective investment schemes (CIS)

pp. 35, 36, 44

## Community Chest

p. 22

## Corporate governance

pp. 16, 44, 61

## Corporate social responsibility (CSR)

p. 16

## Court of Appeal

pp. 18, 33, 35

## D

### Director of Audit, HKSAR

p. 19

### Disclosure of interests

Anyone who has an interest of 5% or more of the voting shares of a listed company is required to disclose that interest within three business days of acquiring or disposing of the interest. Directors and chief executives of listed companies are required to disclose any acquisition or disposal of their company's shares, irrespective of the percentage they hold.

pp. 37, 41

### Dr Wise

pp. 10, 49, 53

### Dual filing

The arrangement that came into effect with the SFO, under which all corporate disclosure and listing application materials are filed with both SEHK and the SFC. The SFC can exercise its enforcement powers against persons issuing false or misleading corporate information.

pp. 35, 54

### Dubai Financial Services Authority

p. 44

## E

### Exchange Participants (EPs)

Companies that have obtained trading rights in either SEHK or HKFE to trade on or through the respective exchange.

p. 43

### Exchange-traded funds (ETFs)

Basically index funds that are listed and traded on exchanges just like stocks.

pp. 40, 41, 51, 53

### Executive Director, SFC

pp. 11, 12, 15, 17, 21, 60, 62

## F

### Financial Industry Regulatory Authority, US (FINRA)

FINRA is the largest independent regulator for all securities firms doing business in the United States. Its chief role is to protect investors by maintaining the fairness of the US capital markets.

p. 26

### Financial Resources Rules

The rules that set out the capital requirements that intermediaries have to meet in order to become and remain licensed by the SFC.

p. 35

### Financial Secretary, HKSAR

pp. 12, 17, 19, 33

### Financial Services and the Treasury Bureau (FSTB)

p. 19

### Financial Services Authority, UK (FSA)

An independent organisation responsible for regulating financial services in the UK. It is the single statutory regulator responsible for the authorisation and supervision of deposit taking, insurance and investment businesses.

p. 15

### Financial Stability Board (FSB)

A new regulator created by the G-20 as an enlarged version of the Financial Stability Forum, which is an advisory group established in 1999 to promote international financial stability through better information exchange and international cooperation. The FSB will include all G20 countries, Spain and the European Commission. It will collaborate with the International Monetary Fund to identify problems in the financial system, provide early warning of macroeconomic and financial risks and oversee action to address them.

p. 6

### Forest Stewardship Council

A non-profit organisation based in Germany with a mission to promote environmentally appropriate, socially beneficial and economically viable management of the world's forests.

p. 23

<b>G</b>	
<b>Group of Twenty (G-20)</b>	pp. 6, 7, 44
<b>Growth Enterprises Market (GEM)</b>	p. 41
<b>H</b>	
<b>Hong Kong Council of Social Service</b>	p. 22
<b>Hong Kong Deposit Protection Board</b>	
An independent statutory body. It is charged with the responsibility for maintaining a deposit protection scheme (DPS) in Hong Kong. The DPS is a key building block of the financial safety net in Hong Kong. Through the provision of a measure of protection to depositors, the DPS contributes to the stability of the banking system in Hong Kong.	p. 35
<b>Hong Kong Exchanges and Clearing Ltd (HKEx)</b>	
HKEx owns and operates the only stock exchange and futures exchange in Hong Kong. It is the holding company of SEHK, HKFE and their related clearing houses.	pp. 9, 12, 15, 35, 37, 40, 42, 43, 49
<b>Hong Kong Futures Exchange Ltd (HKFE)</b>	
A wholly-owned subsidiary of HKEx. It operates and maintains a futures market in Hong Kong and is the primary regulator of Futures Exchange Participants with respect to trading matters.	pp. 9, 10, 41, 43
<b>Hong Kong Institute of Chartered Public Accountants (HKICPA)</b>	p. 16
<b>Hong Kong Monetary Authority (HKMA)</b>	
The government authority in Hong Kong responsible for maintaining monetary and banking stability.	pp. 6, 13, 32, 37
<b>Hong Kong Securities Clearing Co, Ltd</b>	p. 9
<b>H-share Index futures contracts</b>	p. 41
<b>I</b>	
<b>Independent Commission Against Corruption (ICAC)</b>	pp. 12, 16, 66
<b>Insider dealing</b>	pp. 33, 34, 66
<b>International Organization of Securities Commissions (IOSCO)</b>	
An international co-operative body recognised as the international standard setter for securities markets.	pp. 6, 10, 15, 44, 58, 59
<b>InvestEd</b>	
An SFC operated portal to provide investors with educational information on investments and regulations.	pp. 5, 10, 50, 51, 52, 53, 55
<b>Investor Compensation Co, Ltd</b>	pp. 9, 15, 35
<b>Investor Compensation Fund</b>	
A fund that covers defaults of EPs and non-EPs including licensed intermediaries and authorised financial institutions.	pp. 9, 13, 15, 69, 83, 85, 88, 92, 101, 104, 107, 112, 126
<b>Investor Education Council</b>	p. 6
<b>Islamic finance</b>	pp. 26, 44, 45
<b>J</b>	
<b>Judicial review</b>	p. 18
<b>L</b>	
<b>Lehman Brothers (LB)</b>	pp. 4, 5, 6, 7, 29, 35, 37, 42, 67
<b>Legislative Council (LegCo)</b>	pp. 12, 19
<b>Listing Rules</b>	pp. 37, 41
<b>M</b>	
<b>Mandatory Provident Fund</b>	pp. 20, 35, 64
<b>Mandatory Provident Fund Schemes Authority (MPFA)</b>	
Established under the Mandatory Provident Fund Schemes Ordinance to regulate and supervise the operations of provident fund schemes.	pp. 12, 13, 64
<b>Market manipulation</b>	pp. 33, 34

# Abbreviations and Index

## Market Misconduct Tribunal

An independent full-time body established under the SFO, which conducts civil proceedings in public and, where appropriate, imposes civil sanctions against those it determines to be guilty of market misconduct.

p. 9

## Memorandum of Understanding (MOU)

Co-operative arrangements or agreements signed to promote collaboration between organisations.

pp. 35, 44

## Minibond

pp. 6, 27, 32

## Mini H-share Index futures contracts

p. 41

## N

### Non-Executive Directors, SFC

pp. 12, 17, 18

## O

### Office of The Ombudsman

p. 16

### Organisation for Economic Co-operation and Development

The organisation provides a setting where governments compare policies, experiences, seek answers to common problems, identify good practice and coordinate domestic and international policies.

p. 44

## P

### Performance pledges, SFC

p. 20

### Police, HKSAR

p. 9

### Process Review Panel (PRP)

An appointed group that reviews and advises on the adequacy of the SFC's internal procedures governing operational decisions and actions.

pp. 12, 16, 18

## Q

### Qualified Domestic Institutional Investor Scheme

A scheme that allows Mainland investors to invest in foreign securities markets via certain approved financial institutions, such as fund management companies, insurance companies and securities companies.

pp. 10, 43

## R

### Restriction notices

pp. 5, 35

## S

### Securities and Exchange Commission, US (SEC)

p. 26

### Securities and Futures (Stock Market Listing) Rules

p. 41

### Securities and Futures Appeals Tribunal (SFAT)

pp. 13, 16, 18, 35

### Securities and Futures Ordinance (SFO)

pp. 8, 9, 12, 16, 17, 20, 32, 33, 41, 48, 59, 65, 66

### Short selling

pp. 4, 15, 37, 44, 45

## T

### Takeovers and Mergers Panel, SFC

An appointed group that hears disciplinary matters in the first instance and reviews rulings by the Executive (Executive Director of Corporate Finance Division or his delegate) at the request of any party dissatisfied with such a ruling. It also considers novel, important or difficult cases referred to it by the Executive, reviews, upon request by the SFC, the provisions of the Codes on Takeovers and Mergers and Share Repurchases and the Rules of Procedure for hearings under the Codes and recommends appropriate amendments to the Codes and Rules to the SFC.

pp. 13, 36

### Technical Committee of the International Organization of Securities Commission

pp. 15, 59

### The Stock Exchange of Hong Kong Ltd (SEHK)

A wholly-owned subsidiary of HKEx. It operates and maintains a stock market in Hong Kong. It is also the primary regulator of Stock Exchange Participants in relation to trading matters and listing activities on SEHK's Main Board and GEM.

pp. 9, 10, 13, 35, 40, 41, 43, 45