



**SECURITIES AND  
FUTURES COMMISSION**  
證券及期貨事務監察委員會

**A Consultation Paper on the Securities and  
Futures (Intermediary Information) Rules**

《證券及期貨（中介人資料）規則》諮詢文件

Hong Kong  
JULY 2002

香港  
2002年7月

## Consultation

This consultation document invites public comments on the draft **Securities and Futures (Intermediary Information) Rules** (“the draft Rules”) which the Securities and Futures Commission (“SFC”) proposes to make under section 397(1) of the Securities and Futures Ordinance (No. 5 of 2002) (“the Ordinance”) when it commences.

### Introduction

1. Under the existing Securities Ordinance and Commodities Trading Ordinance, licensing application forms constitute part of the subsidiary legislation. In addition, the current Securities and Futures Commission Ordinance also prescribe in subsidiary legislation a specific form for the making of annual returns by licensed persons. This arrangement has proved to be inflexible and is not consistent with modern securities legislation.
2. The Securities and Futures Ordinance (“SFO”) dispenses with this arrangement. Instead, it provides for the SFC to make Rules prescribing the information that is to be provided in making licensing applications and annual returns.
3. The draft Rules set out the information the SFC may ask from a person making an application under Part V of the SFO. They also describe the changes that are required to be notified by licensed persons, their substantial shareholders and registered institutions, as well as the information that is required to be contained in annual returns to be submitted by licensed persons. (Part V of the Ordinance pertains to licensing and registration matters.)
4. There are controls built into the legislative system, whereby any rules made by the SFC must be subject to negative vetting by the Legislative Council. In addition, a mandatory consultation requirement is stipulated in section 398 of the Ordinance for such rules. The SFC therefore now releases the draft Rules (see Attachment 1) for public consultation.
5. The public may obtain copies of the consultation document and the attachment free of charge at the SFC’s office and on the SFC’s Internet website at <http://www.hksfc.org.hk>.
6. The SFC invites interested parties to submit written comments on the draft Rules or to comment on related matters that might have a significant impact upon the draft Rules **no later than 8 August 2002**. Any person wishing to comment should provide details of any organization whose views they represent. In addition, persons suggesting alternative approaches are encouraged to submit proposed text to amend the draft Rules.

## **The draft Rules**

7. Section 3 of the draft Rules prescribes the information the SFC may ask from a person making an application under Part V of the SFO. The information would be requested in forms specified by the SFC. (The forms are now being designed by the SFC with the assistance of industry practitioners.)

8. The relevant applications covered in section 3 above include an application for:

- licence by a corporation or an individual;
- registration by an authorized financial institution;
- approval of accreditation or approval of transfer of accreditation to a principal by a licensed representative;
- approval to be a responsible officer of a licensed corporation by a licensed representative;
- variation of the type of regulated activity for which a person is licensed or registered;
- approval of premises to be used by a licensed corporation for keeping records or documents;
- approval to become or continue to be a substantial shareholder;
- modification or waiver by an applicant, a licensed person or registered institution, a substantial shareholder or an associated entity; and
- any other matter requiring the SFC's approval under Part V of the SFO.

9. Section 4 of the draft Rules describes the changes that are required to be notified by licensed persons, their substantial shareholders and registered institutions. The notification requirement pertains to changes in information that had been previously provided to the SFC. Except for the substantial shareholders, the requirements to be imposed on licensed persons and registered institutions reflect the consultation conclusions on the Licensed Persons and Registered Institutions Rules. The SFC proposes to group these requirements under the draft Rules to make them more coherent and user friendly.

10. Section 5 of the draft Rules specifies the information that is required to be contained in the annual return to be submitted by licensed persons. The required information is limited to the reporting period of the return, compliance with the continuous professional training requirements, and any change that had not been notified under section 4 above.

11. Sections 6 and 7 of the draft Rules pertain to the particulars to be entered in the public register and the correction of errors in the register. These sections merely reflect the consultation conclusions on the Licensed Persons and Registered Institutions Rules and are again grouped in the draft Rules to make them more user friendly. As these matters had been subject to a previous public consultation exercise, comments are not therefore being sought in these areas.

## **Other matters**

12. Please note that the names of the commentators and the contents of their submissions may be published on the SFC website and in other documents to be published by the SFC. In this connection, please read the Personal Information Collection Statement attached to this consultation paper.

13. You may not wish your name to be published by the SFC. If this is the case, please state that you wish your name to be withheld from publication when you make your submission.

14. Written comments may be sent -

By mail to: SFC (Intermediary Information Rules)  
12/F, Edinburgh Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

By fax to: (852) 2293-5755

By on-line submission at: <http://www.hksfc.org.hk>

By e-mail to: [Intermediary\\_Information\\_Rules@hksfc.org.hk](mailto:Intermediary_Information_Rules@hksfc.org.hk)

15. The draft Rules should be read in conjunction with the Securities and Futures Ordinance itself.

## **Personal Information Collection Statement**

1. This Personal Information Collection Statement (“PICS”) is made in accordance with the guidelines issued by the Privacy Commissioner for Personal Data. The PICS sets out the purposes for which your Personal Data<sup>1</sup> will be used following collection, what you are agreeing to with respect to the SFC’s use of your Personal Data and your rights under the PDPO.

### **Purpose of Collection**

2. The Personal Data provided in your submission to the SFC in response to this Consultation Paper may be used by the SFC for one or more of the following purposes:
  - to administer the relevant Ordinances, rules, regulations, codes and guidelines
  - made or promulgated pursuant to the powers vested in the SFC
  - for the purposes of performing the SFC’s statutory functions under the relevant Ordinances
  - for research and statistical purposes
  - other purposes permitted by law

### **Transfer of Personal Data**

3. Personal Data may be disclosed by the SFC to the members of the public in Hong Kong and elsewhere, as part of the public consultation on the Consultation Paper. The names of persons who submit comments on the Consultation Paper together with the whole or part of their submission may be disclosed to members of the public. This will be done by publishing this information on the SFC web site and in documents to be published by the SFC throughout and at the conclusion of the consultation period.

### **Access to Data**

4. You have the right to request access to and correction of your Personal Data in accordance with the provisions of the PDPO. Your right of access includes the right to obtain a copy of your Personal Data provided in your submission on the Consultation Paper. The SFC has the right to charge a reasonable fee for processing any data access request.

---

<sup>1</sup> Personal Data means personal data as defined in the Personal Data (Privacy) Ordinance, Cap 486 (“PDPO”)

## **Enquiries**

5. Any enquiries regarding the Personal Data provided in your submission on the Consultation Paper, or requests for access to Personal Data or correction of Personal Data, should be addressed in writing to:

The Data Privacy Officer  
The Securities and Futures Commission  
12/F, Edinburgh Tower, The Landmark  
15 Queen's Road Central, Hong Kong

A copy of the Privacy Policy Statement adopted by the SFC is available upon request.

**SECURITIES AND FUTURES (INTERMEDIARY  
INFORMATION) RULES**

**CONTENTS**

Section		Page
1.	Commencement	1
2.	Interpretation	1
3.	Information to be provided with applications to the Commission	4
4.	Changes to be notified by licensed persons, registered institutions and substantial shareholders	6
5.	Information to be contained in annual returns	8
6.	Particulars to be entered in the register of licensed persons and registered institutions	9
7.	Correction of errors	10
Schedule 1	Information to be provided with applications to the Commission	11
Schedule 2	Notification of changes	21
Schedule 3	Information in Annual Returns	33
Schedule 4	Particulars to be included in public register	34

# SECURITIES AND FUTURES (INTERMEDIARY INFORMATION) RULES

(Made by the Securities and Futures Commission under section 397(1) of the Securities and Futures Ordinance (5 of 2002))

## 1. Commencement

These Rules shall come into operation on the day on which Part V of the Securities and Futures Ordinance (5 of 2002) comes into operation.

## 2. Interpretation

(1) In these Rules –

“applicant” (申請人) means the person making an application under the Ordinance to the Commission;

“basic information” (基本資料) –

- (a) in relation to an individual, means (in so far as applicable) the following particulars of the individual –
  - (i) title and the full personal name and surname in Chinese and English;
  - (ii) the date and place of birth;
  - (iii) the Chinese Commercial Code and the identification number on his Hong Kong identity card issued under the Registration of Persons Ordinance (Cap. 177);
  - (iv) the number and name of the issuing agency, and the date of expiry of his passport, travel or other document issued by a competent government agency providing proof of identity;
  - (v) business, residential and correspondence addresses; and

- (vi) contact telephone and facsimile numbers, and electronic mail address;
- (b) in relation to a corporation, means (in so far as applicable) the following particulars of the corporation –
  - (i) it's corporate name and business name in English and Chinese;
  - (ii) the date and place of incorporation;
  - (iii) the address of registered office;
  - (iv) the addresses of its places of business;
  - (v) correspondence address; and
  - (vi) telephone and facsimile numbers, electronic mail address and web site address.

“CE number” (中央編號) means the central entity identification number assigned by the Commission to an intermediary, or an associated entity of an intermediary;

“complaints officer” (投訴主任), in relation to an intermediary, means a person appointed by the intermediary to handle complaints made to the intermediary;

“controller” (控制人), in relation to an intermediary, means each of the directors and substantial shareholders of the intermediary;

“CPT” (持續專業培訓) means –

- (a) in the case of an intermediary the continuous training that it is required to provide to its representatives under section 169(2)(b)(i) of the Ordinance; and

- (b) in the case of a representative of an intermediary, the continuous training that he is required to undergo under section 169(2)(b)(ii) of the Ordinance;

“criminal investigatory body” (刑事調查機構) means the Hong Kong Police Force and the Independent Commission Against Corruption established under section 3 of the Independent Commission Against Corruption Ordinance (Cap 204) , and bodies carrying out criminal investigatory functions in Hong Kong or elsewhere;

“minor offence” (輕微罪行) means an offence punishable by a fixed penalty, under the Fixed Penalty (Traffic Contraventions) Ordinance (Cap. 237), or the Fixed Penalty (Criminal Proceedings) Ordinance (Cap. 240), or the Fixed Penalty (Public Cleanliness Offences) Ordinance (Cap. 570), or equivalent legislation of a place outside Hong Kong;

“principal” (主事人) has the meaning assigned to it by section 113 of the Ordinance;

“reporting period” (申報表所涵蓋的期間) means –

- (a) the period of one year to the anniversary of the date on which a person is licensed by the Commission as a licensed corporation or licensed representative; or
  - (b) such other period as may be approved by the Commission by notice in writing.
- (2) Where a person is a registered institution, a requirement in these Rules for a person to provide information or particulars (however described) to the Commission shall be construed as a requirement to

provide particulars only in relation to the businesses which constitute any regulated activities for which it is registered.

- (3) Where an associated entity is an authorized financial institution, a requirement in these Rules for a person to provide information or particulars (however described) to the Commission shall be construed as a requirement to provide particulars only in relation to its business of receiving or holding client assets in Hong Kong of any intermediary of which it is an associated entity.

### **3. Information to be provided with applications to the Commission**

For the purposes of section 128(3) of the Ordinance, an application to the Commission under the provisions referred to below shall be made in the applicable form (if any) specified by the Commission in accordance with section 402(1) of the Ordinance, and shall –

- (a) in the case of an application –
  - (i) under section 116 or 117 of the Ordinance by a corporation for a licence;
  - (ii) under section 119 of the Ordinance by an authorized financial institution for registration;
  - (iii) under section 127 of the Ordinance by a licensed corporation or registered institution for variation of the regulated activity specified in the licensed corporation's or registered institution's licence or certificate of registration (as the case may be); and
  - (iv) under section 134 of the Ordinance by a licensed corporation or registered institution for a modification or waiver, in relation to the licensed corporation or

registered institution (as the case may be), in respect of any condition specified in or imposed under, or any of the requirements of the provisions mentioned in subsection (1) of that section of the Ordinance, contain, in so far as applicable, such information, details or matters in respect of the applicant or other person in each item in Part 1 of Schedule 1 as are required to be specified by the form, if any;

- (b) in the case of an application –
- (i) under section 120(1) or (2), or 121(1) of the Ordinance by an individual for a licence;
  - (ii) under section 122(1) of the Ordinance by a licensed representative for approval of accreditation, or under section 122(2) of the Ordinance, for approval of transfer of accreditation to another corporation licensed under section 116 or 117 (as the case may be) of the Ordinance;
  - (iii) under section 126 of the Ordinance by a licensed representative for approval as a responsible officer of a licensed corporation to which he is accredited; and
  - (iv) under section 127 of the Ordinance by a licensed representative for a variation of the regulated activity specified in his licence by adding to or reducing the regulated activity so specified,

contain, in so far as applicable, such information, details or matters in respect of the applicant or other person in each item in Part 2 of Schedule 1 as are required to be specified by the form;

- (c) in the case of an application –

- (i) under section 130(1) of the Ordinance by a person for approval of premises to be used by a licensed corporation for keeping of records or documents required under the Ordinance;
  - (ii) under section 132 of the Ordinance by a person for approval to become or continue to be (as the case may be) a substantial shareholder of a licensed corporation under section 116 of the Ordinance;
  - (iii) under section 134 of the Ordinance by a person (other than a licensed corporation or registered institution) for the grant of a modification or waiver in relation to him, in respect of any condition specified in or imposed under, or any of the requirements of the provisions mentioned in subsection (1) of that section of the Ordinance;
  - (iv) by a person for any other matter requiring the approval of the Commission under Part V of the Ordinance,
- contain such information, details or matters, in so far as applicable, in respect of the applicant or other person in each item in Part 3 of Schedule 1 as are required to be specified by the form.

#### **4. Changes to be notified by licensed persons, registered institutions and substantial shareholders**

(1) This section applies in relation to information that has been provided to the Commission under any provision of Part V of the Ordinance and a change in the information occurs.

(2) Where there is a change in the information under subsection (1), a notice in writing of the change shall be given to the

(a) (where the information has been provided in connection with an application under any provision of Part V of the Ordinance and the Commission is still considering the application) the Commission; or

(b) (in other cases) the Commission and (if the information provided relates to a registered institution) the Monetary Authority,

within 7 business days together with a full description of the change.

(3) A licensed corporation shall give a notice in writing under subsection (2) if a change occurs in relation to any of the information specified in Part 1 of Schedule 2.

(4) A registered institution shall give a notice in writing under subsection (2) if a change occurs in relation to any of the information specified in Part 2 of Schedule 2.

(5) A licensed representative shall give a notice in writing under subsection (2) if a change occurs in relation to any of the information specified in Part 3 of Schedule 2.

(6) A substantial shareholder shall give a notice in writing under subsection (2) if a change occurs in relation to any of the information specified in Part 4 of Schedule 2.

(7) Subsections (3), (4), (5) and (6) also apply to –

(a) a corporation that has applied for a licence;

- (b) an authorized financial institution who has applied for registration as a registered institution;
- (c) an individual who has applied for a licence; and
- (d) a person who has applied for approval to become or continue to be a substantial shareholder,

as the case may be, if the application is still subsisting, with the modifications made under subsection (8).

(8) In subsections (3), (4), (5) and (6), and Schedule 2, the references to –

- (a) a licensed corporation;
- (b) a registered institution;
- (c) a licensed representative; and
- (d) a substantial shareholder,

are to be construed, as the case may be, as including the references to –

- (e) the intended licensed corporation which licence is being applied for;
- (f) the intended registered institution which registration is being applied for;
- (g) the intended licensed individual whose license is being applied for; and
- (h) the intended substantial shareholder the approval to whom to become or continue to be a substantial shareholder is being applied for.

## **5. Information to be contained in annual returns**

For the purposes of section 138(4) of the Ordinance, an annual return required to be submitted to the Commission shall –

- (a) in the case of a licensed corporation –
  - (i) contain the information specified in Part 1 of Schedule 3; and
  - (ii) where there has been a change in the information provided to the Commission pursuant to Part V of the Ordinance, or rules made for the purposes of Part V of the Ordinance, and a full description of such change has not been provided to the Commission, contain a full description of the change; or
- (b) in the case of a licensed representative –
  - (i) contain the information specified in Part 2 of Schedule 3; and
  - (ii) where there is a change in the information provided to the Commission pursuant to Part V of the Ordinance, or rules made for the purposes of Part V of the Ordinance, and a full description of such change has not been provided to the Commission, contain a full description of the change.

**6. Particulars to be entered in the register of licensed persons and registered institutions**

- (1) In addition to the information prescribed under section 136(2) of the Ordinance, the particulars specified in Schedule 4 shall also be included in the register.
- (2) Where, pursuant to section 135 of the Ordinance and section 4, the Commission is notified of any change in the particulars relating to a licensed person or registered institution, it shall make such

amendments in the register as it considers necessary to record the change.

- (3) Information in the register is to be updated at such intervals as the Commission considers appropriate.

## **7. Correction of errors**

Where an error exists in the register kept under section 136 of the Ordinance, or in a licence or certificate of registration, the Commission shall correct the error as soon as practicable.

INFORMATION TO BE PROVIDED WITH  
APPLICATIONS TO THE COMMISSION

## PART 1

Item	Description of information
1. Basic information in respect of –	<ul style="list-style-type: none"><li data-bbox="395 786 687 824">(a) the applicant;</li><li data-bbox="395 846 940 884">(b) each controller of the applicant;</li><li data-bbox="395 907 1366 1003">(c) each person that is, or is proposed to be, a responsible officer or executive officer of the applicant;</li><li data-bbox="395 1025 1366 1122">(d) each subsidiary of the applicant that conducts, or proposes to conduct, any regulated activity as its principal business.</li><li data-bbox="395 1144 1366 1294">(e) each related corporation of the applicant that conducts, or proposes to conduct, any regulated activity as its principal business.</li></ul>
2. Basic information in respect of –	<ul style="list-style-type: none"><li data-bbox="395 1444 1366 1541">(a) any corporation that is or is proposed to be an associated entity of the applicant;</li><li data-bbox="395 1563 1366 1659">(b) any persons that are, or are proposed to be, executive officers of an associated entity referred to in paragraph (a).</li></ul>
3. The name, correspondence address, contact telephone and facsimile numbers and electronic mail address of –	

- (a) each contact person appointed by the applicant as the person whom the Commission may contact in the event of market emergency or other urgent need; and
  - (b) each person that is, or is proposed to be, the complaints officer of the applicant.
- 4. The details of any registration or authorization (however described) by a regulatory organization or authority in Hong Kong or elsewhere of each of the persons referred to in item 1.
- 5. The following details in respect of each of the persons referred to in item 1 –
  - (a) his membership (however described) of a stock exchange or futures exchange outside Hong Kong; and
  - (b) the extent of his participation of a recognized exchange company.
- 6. Any matters that might reasonably be considered relevant to the applicant's fitness and propriety to be licensed or registered (as the case may be), including whether any of the persons referred to in item 1 is or has been –
  - (a) convicted of or charged with any criminal offence (other than a minor offence) in Hong Kong or elsewhere;
  - (b) subject to any disciplinary action or investigation by a regulatory body or criminal investigatory body (as the case may be) in Hong Kong or elsewhere;
  - (c) subject to, or involved in the management of a corporation or business that is or has been subject to, any investigation by a criminal investigatory body or any regulatory body in Hong Kong or elsewhere concerning offences involving fraud or dishonesty;

- (d) engaged in any judicial or other proceedings, whether in Hong Kong or elsewhere which are material or relevant to the fitness and properness of the applicant to be licensed or registered;
- (e) (in the case of a corporation other than a registered institution) insolvent or aware of the existence of any matters that might render it insolvent or lead to the appointment of a provisional liquidator; or
- (f) (in the case of an individual) bankrupt or aware of the existence of any matters that might render him insolvent or lead to the appointment of a receiver of his property under the Bankruptcy Ordinance (Cap. 6).

7. The following details, in so far as applicable, in respect of each of the persons referred to in item 1 –

- (a) his academic record providing the names of educational establishments and courses attended, the dates of the courses that were attended and details of –
  - (i) any examinations passed in secondary level education;
  - (ii) any qualifications achieved in tertiary level education;
- (b) his professional record providing the names of educational establishments and courses attended, the dates of the courses that were attended and details of professional qualifications (if any) obtained; and
- (c) his employment record providing the names of employers and dates of employment.

8. In the case of a person applying to be licensed as a licensed corporation, financial information in respect of the applicant showing that it is capable

of meeting its obligations under the Securities and Futures (Financial Resources) Rules (L.N. \_\_\_\_\_ of 2002).

9. The nature of the business and types of services provided or to be provided by the applicant.
10. A business plan of the applicant covering internal controls, organizational structure, contingency plans and related matters.
11. The capital and shareholding structure of the applicant and the basic information in respect of any person in accordance with whose directions or instructions it, or its directors, are accustomed to act.
12. In the case of a person applying to be licensed as a licensed corporation, the following particulars in respect of any bank account that it has opened for the purpose of the conduct of regulated activities –
  - (a) the name of the bank with which the account is opened;
  - (b) the number of the account; and
  - (c) whether the account is a trust account.
13. The name and address of the auditor of the applicant and the date of his appointment.
14. The address of each of the premises where –
  - (a) the business of the applicant is, or is to be, conducted; and
  - (b) records of the applicant (in the case of a corporation other than a registered institution) are kept or are to be kept.
15. Such other information as may be required in the form specified.

## PART 2

Item	Description of information
1.	Basic information in respect of – (a) the applicant; and (b) the licensed corporation to which the applicant is accredited or wishes to be accredited.
2.	Details of any registration or authorization (however described) of the applicant by a regulatory organization or authority in Hong Kong or elsewhere and whether the applicant requires an employment visa to work in Hong Kong as a licensed representative.
3.	The following details, in so far as applicable, in respect of each of the persons referred to in item 1 – (a) his membership (however described) of a stock exchange or futures exchange outside Hong Kong; and (b) the extent of his participation of a recognized exchange company.
4.	The types of services to be provided by the applicant on behalf of the licensed corporation to which the licensed representative is or wishes to be accredited.
5.	Any matters that might reasonably be considered relevant to the applicant's fitness and properness to be licensed, including whether any of the persons referred to in item 1 is or has been – (a) convicted of or charged with any criminal offence (other than a minor offence) in Hong Kong or elsewhere;

- (b) subject to any disciplinary action, or investigation, by a regulatory body or criminal investigatory body (as the case may be) in Hong Kong or elsewhere;
- (c) subject to, or involved in the management of a corporation or business that has been or is subject to, any investigation by a criminal investigatory body or any regulatory body in Hong Kong or elsewhere concerning offences involving fraud or dishonesty;
- (d) engaged in any judicial or other proceedings, whether in Hong Kong or elsewhere that are material or relevant to the fitness and properness of the applicant to be licensed; or
- (e) bankrupt or aware of the existence of any matters that might render him insolvent or lead to the appointment of a receiver of his property under the Bankruptcy Ordinance (Cap. 6).

6. The following details, in so far as applicable, in respect of each of the persons referred to in item 1 –

- (a) his academic record providing the names of educational establishments and courses attended, the dates of the courses that were attended and details of –
  - (i) any examinations passed in secondary level education;
  - (ii) any qualifications achieved in tertiary level education;
- (b) his professional record providing the names of educational establishments and courses attended, the dates of the courses that were attended and details of the professional qualifications (if any) obtained;
- (c) his employment record providing the names of employers and dates of employment.

7. The mental health of the applicant.
8. Such other information as may be required in the form specified.

## PART 3

Item	Description of information
1.	Basic information in respect of – <ol style="list-style-type: none"><li>(a) the applicant;</li><li>(b) each controller of the applicant;</li><li>(c) each person that is, or is proposed to be, a responsible officer or executive officer of the applicant;</li><li>(d) each subsidiary of the applicant that conducts, or proposes to conduct, any regulated activity as its principal business;</li><li>(e) each related corporation of the applicant that conducts, or proposes to conduct, any regulated activity as its principal business.</li></ol>
2.	Basic information in respect of – <ol style="list-style-type: none"><li>(a) any corporation that is or is proposed to be an associated entity of the applicant;</li><li>(b) any persons that are, or are proposed to be, executive officers of an associated entity referred to in paragraph (a).</li></ol>
3.	A statement setting out the nature of the application.
4.	A statement setting out the reason for the application.
5.	In the case of a person applying for approval to become or continue to be (as the case may be) a substantial shareholder of a licensed corporation under section 132 of the Ordinance, financial information concerning the applicant and its business and each controller of the applicant to show that

it is a fit and proper person to be a substantial shareholder of the licensed corporation.

6. Any matters that might reasonably be considered relevant to the applicant's fitness and properness to be licensed, or to become or continue to be a substantial shareholder, including whether any of the persons referred to in item 1 is or has been –
  - (a) convicted of or charged with any criminal offence (other than a minor offence) in Hong Kong or elsewhere;
  - (b) subject to any disciplinary action, or investigation, by a regulatory body or criminal investigatory body (as the case may be) in Hong Kong or elsewhere;
  - (c) subject to, or involved in the management of a corporation or business that has been or is subject to, any investigation by a criminal investigatory body or any regulatory body in Hong Kong or elsewhere concerning offences involving fraud or dishonesty;
  - (d) engaged in any judicial or other proceedings, whether in Hong Kong or elsewhere that are material or relevant to the fitness and properness of the applicant to be licensed; or
  - (e) (in the case of a corporation) insolvent or aware of the existence of any matters that might render it insolvent or lead to the appointment of a provisional liquidator; or
  - (f) (in the case of an individual) bankrupt or aware of the existence of any matters that might render him insolvent or lead to the appointment of a receiver of his property under the Bankruptcy Ordinance (Cap. 6).
  
7. In the case of a person applying for approval of premises under section 103(1) of the Ordinance –

- (a) the address of each of the premises where records of the applicant are to be kept;
- (b) evidence that the premises are suitable for being used for the purpose of keeping records and documents required under the Ordinance.

8. Such other information as may be required in the form specified.

## NOTIFICATION OF CHANGES

## PART 1

Item	Description of information
1.	<p>Changes in the basic information in respect of –</p> <ul style="list-style-type: none"><li data-bbox="395 728 837 761">(a) the licensed corporation;</li><li data-bbox="395 786 1093 819">(b) each controller of the licensed corporation;</li><li data-bbox="395 844 1364 945">(c) each person that is a responsible officer of the licensed corporation;</li><li data-bbox="395 969 1364 1070">(d) each subsidiary of the licensed corporation that conducts any regulated activity as its principal business;</li><li data-bbox="395 1095 1364 1196">(e) each related corporation of the licensed corporation that conducts any regulated activity as its principal business,</li></ul> <p>and changes in the persons who are controllers, responsible officers, subsidiaries or related corporations of the licensed corporation that conduct any regulated activity as their principal business.</p>
2.	<p>Changes in the following particulars of any corporation that is, or becomes or ceases to be, an associated entity of the licensed corporation –</p> <ul style="list-style-type: none"><li data-bbox="395 1563 1244 1597">(a) in the case where the corporation is an intermediary –<ul style="list-style-type: none"><li data-bbox="491 1621 1244 1655">(i) basic information in respect of the corporation;</li><li data-bbox="491 1680 805 1713">(ii) its CE number;</li><li data-bbox="491 1738 1364 1839">(iii) the date of its becoming, or ceasing to be, an associated entity;</li><li data-bbox="491 1863 1109 1897">(iv) whether it has any executive officers;</li><li data-bbox="491 1921 1348 1955">(v) the basic information of its executive officers (if any);</li></ul></li></ul>

- (b) in any other case –
  - (i) basic information in respect of the corporation;
  - (ii) the date of its becoming an associated entity;
  - (iii) whether it has any executive officers;
  - (iv) the basic information in respect of its executive officers (if any);
  - (v) in the case of a corporation becoming an associated entity, the facts that gave rise to the corporation becoming an associated entity;
  - (vi) in the case of an associated entity ceasing to be an associated entity, the circumstances under which it ceases to be an associated entity and (except in the case of an authorized financial institution) confirmation that all client assets of the intermediary that are received or held by the entity prior to its ceasing to be an associated entity have been fully accounted for and properly disposed of and, if not, the particulars of any such client assets of the intermediary that have not been fully accounted for and properly disposed of.

3. Changes in the name, correspondence address, telephone and facsimile numbers and electronic mail address of –

- (a) each contact person appointed by the licensed corporation as the person whom the Commission may contact in the event of market emergency or other urgent need; and
- (b) each person that is, or is proposed to be, the complaints officer of the licensed corporation.

4. Changes in the status of any registration or authorization (however described) by a regulatory organization or authority in Hong Kong or elsewhere of each of the persons referred to in item 1.
5. In respect of each of the persons referred to in item 1 changes in the status of –
  - (a) his membership (however described) of a stock exchange or futures exchange outside Hong Kong; and
  - (b) the extent of his participantship of a recognized exchange company.
6. Changes in any matters which might reasonably be considered relevant to the licensed corporation's fitness and properness to be licensed or registered (as the case may be), including whether any of the persons referred to in item 1 is or has been –
  - (a) convicted of or charged with any criminal offence (other than a minor offence) in Hong Kong or elsewhere;
  - (b) subject to any disciplinary action, or investigation by a regulatory body or criminal investigatory body (as the case may be) in Hong Kong or elsewhere;
  - (c) subject to, or involved in the management of a corporation or business that is or has been subject to, any investigation by a criminal investigatory body or any regulatory body in Hong Kong or elsewhere concerning offences involving fraud or dishonesty;
  - (d) engaged in any judicial or other proceedings, whether in Hong Kong or elsewhere that are material or relevant to the fitness and properness of the licensed corporation to be licensed;

- (e) insolvent or aware of the existence of any matters that might render it insolvent or lead to the appointment of a provisional liquidator.
- 7. Significant changes in the nature of the business and types of services provided or to be provided by the licensed corporation.
- 8. Significant changes in the business plan of the licensed corporation covering internal controls, organizational structure, contingency plans and related matters.
- 9. Changes in the capital and shareholding structure of the licensed corporation or any person in accordance with whose directions or instructions it, or its directors, are accustomed to act.
- 10. Changes in the status of any bank accounts of the licensed person relating to the conduct of regulated activities including the following particulars –
  - (a) the name of the bank with which the account is opened;
  - (b) the number of the account;
  - (c) the date of opening or closing any such account;
  - (d) whether the account is a trust account.
- 11. Changes in the name or address of the auditor of the licensed person and the reasons for the change in the auditor.
- 12. Changes in the address of each of the premises where the business of the licensed corporation is, or is to be, conducted.
- 13. The address of each of the premises where records of the licensed person are no longer kept.

## PART 2

Item	Description of information
1.	<p>Changes in the basic information in respect of –</p> <ul style="list-style-type: none"><li data-bbox="395 533 847 568">(a) the registered institution;</li><li data-bbox="395 593 1107 629">(b) each controller of the registered institution;</li><li data-bbox="395 654 1366 745">(c) each person that is an executive officer of the registered institution;</li><li data-bbox="395 770 1366 862">(d) each subsidiary of the registered institution that conducts any regulated activity as its principal business;</li><li data-bbox="395 887 1366 978">(e) each related corporation of the registered institution that conducts any regulated activity as its principal business,</li></ul> <p>and changes in the persons who are controllers, executive officers, subsidiaries or related corporations of the registered institution that conduct any regulated activity as their principal business.</p>
2.	<p>Changes in the following particulars of any corporation that is, or becomes or ceases to be, an associated entity of the registered institution –</p> <ul style="list-style-type: none"><li data-bbox="395 1368 1372 1823">(a) in the case where the corporation is an intermediary –<ul style="list-style-type: none"><li data-bbox="491 1429 1251 1464">(i) basic information in respect of the corporation;</li><li data-bbox="491 1489 804 1525">(ii) its CE number;</li><li data-bbox="491 1550 1366 1641">(iii) the date of its becoming, or ceasing to be, associated entity;</li><li data-bbox="491 1666 1114 1702">(iv) whether it has any executive officers;</li><li data-bbox="491 1727 1366 1818">(v) the basic information in respect of its executive officers (if any);</li></ul></li><li data-bbox="395 1848 1372 2000">(b) in any other case –<ul style="list-style-type: none"><li data-bbox="491 1908 1251 1944">(i) basic information in respect of the corporation;</li><li data-bbox="491 1968 1219 2004">(ii) the date of its becoming an associated entity;</li></ul></li></ul>

- (iii) its executive officers (if any);
- (iv) the basic information of its executive officers (if any);
- (v) in the case of a corporation becoming an associated entity, the facts that gave rise to the corporation becoming an associated entity;
- (vi) in the case of an associated entity ceasing to be an associated entity, the circumstances under which it ceases to be an associated entity and (except in the case of an authorized financial institution) confirmation that all client assets of the intermediary that are received or held by the entity prior to its ceasing to be an associated entity have been fully accounted for and properly disposed of and, if not, the particulars of any such client assets of the intermediary that have not been fully accounted for and properly disposed of.

3. Changes in the name, correspondence address, contact telephone and facsimile numbers and electronic mail address of –
  - (a) each contact person appointed by the registered institution as the person whom the Commission may contact in the event of market emergency or other urgent need; and
  - (b) each person that is, or is proposed to be, the complaints officer of the registered institution.
4. Changes in the status of any registration or authorization (however described) by a regulatory organization or authority in Hong Kong or elsewhere of each of the persons referred to in item 1.

5. In respect of each of the persons referred to in item 1 changes in the status of –
  - (a) his membership (however described) of a stock exchange or futures exchange outside Hong Kong; and
  - (b) the extent of his participantship of a recognized exchange company.
  
6. Changes in any matters which might reasonably be considered relevant to the registered institution's fitness and properness to be registered, including whether any of the persons referred to in item 1 is or has been –
  - (a) convicted of or charged with any criminal offence (other than a minor offence) in Hong Kong or elsewhere
  - (b) subject to any disciplinary action, or investigation by a regulatory body or criminal investigatory body (as the case may be) in Hong Kong or elsewhere;
  - (c) subject to, or involved in the management of a corporation or business that is or has been subject to, any investigation by a criminal investigatory body or any regulatory body in Hong Kong or elsewhere concerning offences involving fraud or dishonesty;
  - (d) engaged in any judicial or other proceedings, whether in Hong Kong or elsewhere that are material or relevant to the fitness and properness of the registered institution to be registered.
  
7. Significant changes in the nature of the business and types of services provided or to be provided by the registered institution.

8. Significant changes in the business plan of the registered institution covering internal controls, organizational structure, contingency plans and related matters.
9. Changes in the capital and shareholding structure of the registered institution or any person in accordance with whose directions or instructions it, or its directors, are accustomed to act.
10. Changes in the name or address of the auditor of the registered institution and the reasons for the change in the auditor.

## PART 3

Item	Description of information
1.	Changes in the basic information in respect of the licensed representative.
2.	Changes in the status of any registration or authorization (however described) by a regulatory organization or authority in Hong Kong or elsewhere of the licensed representative.
3.	Changes in the status of – <ol style="list-style-type: none"><li>(a) his membership (however described) of a stock exchange or futures exchange outside Hong Kong; and</li><li>(b) the extent of his participation in a recognized exchange company.</li></ol>
4.	Changes in the types of services to be provided by the licensed representative on behalf of the licensed corporation to which the licensed representative is or wishes to be accredited.
5.	Changes in any matters which might reasonably be considered relevant to the licensed representative's fitness and propriety to be licensed, including whether he is or has been – <ol style="list-style-type: none"><li>(a) convicted of or charged with any criminal offence (other than a minor offence) in Hong Kong or elsewhere;</li><li>(b) subject to any disciplinary action, or investigation by a regulatory body or criminal investigatory body (as the case may be) in Hong Kong or elsewhere;</li><li>(c) subject to, or involved in the management of a corporation or business that has been or is subject to, any investigation by a</li></ol>

criminal investigatory body or any regulatory body in Hong Kong or elsewhere concerning offences involving fraud or dishonesty;

- (d) engaged in any judicial or other proceedings, whether in Hong Kong or elsewhere that are material or relevant to the fitness and properness of the licensed representative to be licensed; or
- (e) bankrupt or aware of the existence of any matters that might render him insolvent or lead to the appointment of a receiver of his property under the Bankruptcy Ordinance (Cap. 6).

6. Changes in the mental health of the licensed representative.

## PART 4

Item	Description of information
1.	Changes in the basic information in respect of the substantial shareholder.
2.	Changes in the status of any registration or authorization (however described) by a regulatory organization or authority in Hong Kong or elsewhere of the substantial shareholder.
3.	Changes in the status of the substantial shareholder's – (a) membership (however described) of a stock exchange or futures exchange outside Hong Kong; and (b) extent of participantship of a recognized exchange company.
4.	Changes in any matters which might reasonably be considered relevant to the substantial shareholder's fitness and properness to be a substantial shareholder, including whether he is or has been – (a) convicted of or charged with any criminal offence (other than a minor offence) in Hong Kong or elsewhere; (b) subject to any disciplinary action, or investigation by a regulatory body or criminal investigatory body (as the case may be) in Hong Kong or elsewhere; (c) subject to, or involved in the management of a corporation or business that has been or is subject to, any investigation by a criminal investigatory body or any regulatory body in Hong Kong or elsewhere concerning offences involving fraud or dishonesty; (d) engaged in any judicial or other proceedings, whether in Hong Kong or elsewhere that are material or relevant to the

fitness and properness of the substantial shareholder to be a substantial shareholder;

- (e) (in the case of a corporation) insolvent or aware of the existence of any matters that might render it insolvent or lead to the appointment of a provisional liquidator; or
- (f) (in the case of an individual) bankrupt or aware of the existence of any matters that might render him insolvent or lead to the appointment of a receiver of his property under the Bankruptcy Ordinance (Cap. 6).

5. Changes in the capital and shareholding structure of the substantial shareholder or the persons that are interested in its shares or any person in accordance with whose directions or instructions it, or its directors, are accustomed to act.
6. In the case of an individual, changes in the mental health of the substantial shareholder.

## SCHEDULE 3

[s. 5]

### INFORMATION IN ANNUAL RETURNS

#### PART 1

Item	Description of information
1.	The reporting period of the licensed corporation.
2.	Information to enable the Commission to assess whether the licensed corporation and its licensed representatives has complied with the CPT.

#### PART 2

Item	Description of information
1.	The reporting period of the licensed representative.
2.	Information to enable the Commission to assess whether the licensed representative has complied with the CPT.

## PARTICULARS TO BE INCLUDED IN PUBLIC REGISTER

## PART 1

The following particulars in respect of a licensed person shall be included in the register –

- (a) its CE number;
- (b) the date of grant of the licence under Part V of the Ordinance;
- (c) the effective date of such conditions (if any) of the licence as the Commission includes in the register under section 136(2)(b) of the Ordinance;
- (d) the regulated activity or activities for which the person is licensed and the effective date of the approval for the licensed person to carry on the regulated activity or activities;
- (e) whether or not the licence is suspended;
- (f) the modification or waiver granted (if any), together with such particulars as the Commission considers appropriate in relation to any condition imposed, and the corresponding effective date;
- (g) a record of each public disciplinary action (if any) taken by the Commission against him in Hong Kong that is not the subject of a pending appeal, or a successful appeal, and each disciplinary action so recorded is to be kept in the register for a period of 5 years from and after the date when the relevant disciplinary action takes effect;
- (h) in the case of a corporation –
  - (i) its electronic mail address (if any) and web site address (if any);

- (ii) the contact details (including correspondence address, telephone and facsimile numbers and electronic mail address) of the assigned complaints officer;
- (iii) whether it holds a temporary licence granted under section 117 of the Ordinance; and
- (iv) a list of its accredited representatives;
- (i) in the case of a licensed representative –
  - (i) whether he holds a temporary licence granted under section 121 of the Ordinance;
  - (ii) whether he holds a provisional licence under section 120(2) of the Ordinance;
  - (iii) whether he is approved as a responsible officer and, if so, the regulated activity for which he is responsible; and
  - (iv) the date of accreditation to his principal.

## PART 2

The following particulars in respect of a registered institution shall be included in the register –

- (a) its CE number;
- (b) the date of the certificate of the registration under Part V of the Ordinance;
- (c) the effective date of such conditions (if any) of the certificate as the Commission includes in the register under section 136(2)(b) of the Ordinance;
- (d) the regulated activity or activities for which the institution is registered and the effective date of the approval for the institution to carry on the regulated activity or activities;

- (e) whether or not the registration is suspended;
- (f) the modification or waiver granted (if any), together with such particulars as the Commission considers appropriate in relation to any condition imposed, and the corresponding effective date;
- (g) a record of each public disciplinary action (if any) taken by the Commission against him in Hong Kong that is not the subject of a pending appeal, or a successful appeal, and each disciplinary action recorded is to be kept in the register for a period of 5 years from the date when the relevant disciplinary action takes effect;
- (h) its electronic mail address (if any) and web site address (if any); and
- (i) its contact details (including correspondence address, telephone and facsimile numbers and electronic mail address) of the assigned complaints officer.

Chairman  
Securities and Futures Commission

2002

### **Explanatory Note**

These Rules are made by the Securities and Futures Commission under section 397(1) of the Securities and Futures Ordinance (5 of 2002). They

prescribe the information that is to be provided to the Commission by a person making an application to the Commission under Part V of the Ordinance and the matters and changes that are required to be notified by licensed persons, its substantial shareholders and registered institutions to the Commission. They also prescribe for the purposes of section 138(4) of the Ordinance the information that is required to be contained in an annual return submitted to the Commission by a corporation or individual licensed under section 116(1) or 120(1) of the Ordinance. The Rules further prescribe the particulars that are to be entered in the register of licensed persons and registered institutions.