



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

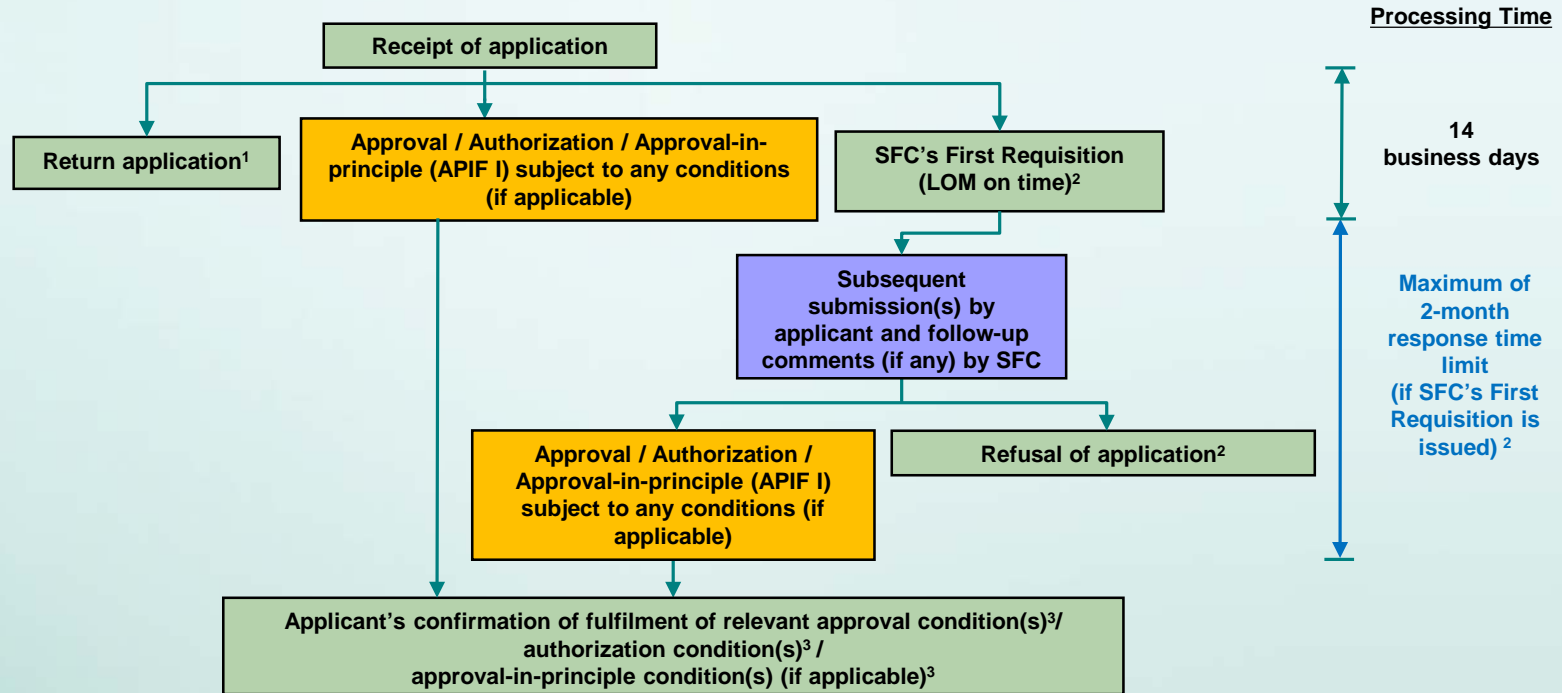
## Illustrations of the Overall Revamped Post Authorization Process for Simple and Complex Applications

(as referred to in Question 3B of Section 1 of the Frequently Asked Questions on Post Authorization Compliance Issues of SFC-authorized Unit Trusts and Mutual Funds)

30 June 2017

**Important:** Please note that the flow charts contained in this document are for illustrative purposes. You should read this document in conjunction with the Frequently Asked Questions on Post Authorization Compliance Issues of SFC-authorized Unit Trusts and Mutual Funds.

# Revamped Post Authorization Process - Flow chart showing the process for Simple Applications



## Notes

- The SFC reserves the right to return an application for the approval of post authorization changes (including scheme changes, termination, merger and withdrawal of authorization) and authorization of revised offering documents of SFC-authorized funds which is deemed to be an incomplete application and/or an application that fails to meet the applicable regulatory requirements.
- (a) In general, all applications should be well-prepared and in compliance with all applicable requirements for clearance by the SFC. Given that Simple Applications are intended to cover less complicated applications, SFC expects that these applications will be processed with an aim that SFC approval/authorization/approval-in-principle (APIF I) (if granted) will be given within 2 months from the date of the SFC's First Requisition.

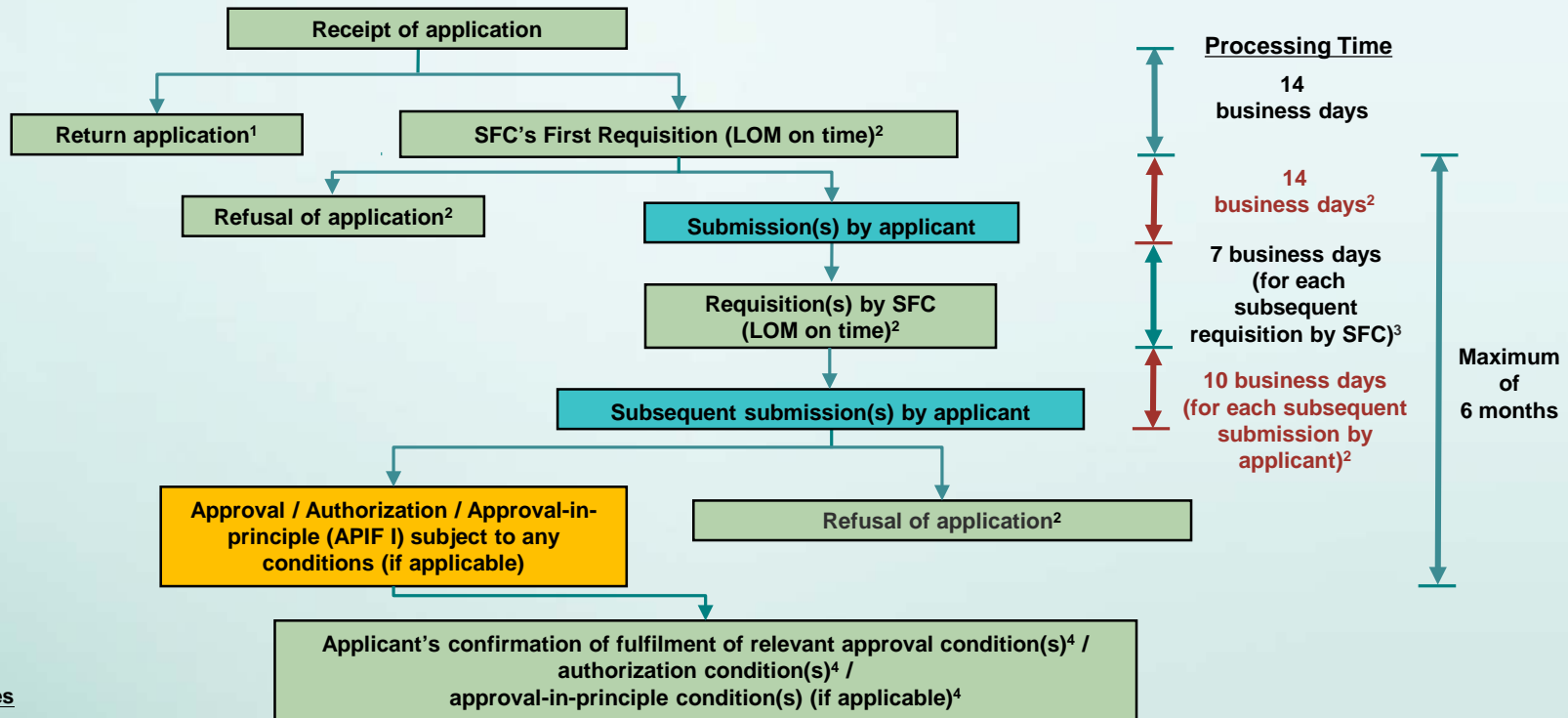
(b) In the event that approval/authorization/approval-in-principle (APIF I) is not granted within 14 business days, the SFC will issue its First Requisition. In the First Requisition, the applicant will be reminded of the 2-month response time limit within which the applicant is required to provide proper, complete and substantive responses to address all outstanding issues.

(c) It is the SFC's policy intention to strictly refuse a Simple Application if the applicant fails to meet the 2-month response time limit (i.e. the Lapse Period), which is considered to be a reasonable period for an applicant to address all outstanding issues pertaining to the Simple Application.
- (a) In respect of APIF I, where the approval-in-principle is granted, SFC will only proceed to grant the approval or authorization upon receipt of a duly completed and executed Confirmation of fulfilment of approval-in-principle condition(s) of approved pooled investment funds offered to retail investors ("APIF I") (a standard form of which is posted on the SFC's website) together with the required documents from the applicant.

(b) For the approval/authorization (if granted by the SFC) to become effective, where such approval/authorization is subject to conditions, applicant must submit to the SFC a duly completed and executed Confirmation of fulfilment of approval/authorization condition(s) or Confirmation of fulfilment of approval/authorization condition(s) in relation to Recognised Mainland Funds (a standard form of which is posted on the SFC's website) together with the required documents generally within 2 months from the date of the SFC's approval or authorization letter (or such extended time limit(s) that may be agreed by the SFC).



# Revamped Post Authorization Process – Flow chart showing the process for Complex Applications



## Notes

- The SFC reserves the right to return an application for the approval of post authorization changes (including scheme changes, termination, merger and withdrawal of authorization) and authorization of revised offering documents of SFC-authorized funds which is deemed to be an incomplete application and/or an application that fails to meet the applicable regulatory requirements.
- (a) Applicants are required to provide proper, complete and substantive response(s) to the SFC (i) within 14 business days from the SFC's First Requisition; and (ii) within 10 business days from all SFC's subsequent requisition(s) (if any). Applicants will be reminded of the response time limit(s) in the SFC's First Requisition and subsequent requisition(s) (if any).

(b) Complex Applications will lapse if no approval or authorization is granted within 6 months from the date of the SFC's First Requisition. In addition, the SFC reserves the right to refuse the application if the applicant fails to address the SFC's requisition(s) to the SFC's satisfaction within the applicable response time limit(s).
- This is in line with the general practice currently adopted by the SFC.
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