



Annex 1

“Core Functions”, in relation to a licensed corporation, comprise the following eight functions:

Core Function		Description
1	Overall Management Oversight	<p>A function responsible for directing and overseeing the effective management of the overall operations of the corporation on a day-to-day basis</p> <p>Key responsibilities may include:</p> <ul style="list-style-type: none"> ▪ Developing the corporation’s business model and associated objectives, strategies, organisational structure, controls and policies; ▪ Developing and promoting sound corporate governance practices, culture and ethics; ▪ Executing and monitoring the implementation of Board-approved business objectives, strategies and plans, and the effectiveness of the organisational structure and controls. <p>Example#: Chief Executive Officer, President</p>
2	Key Business Line	<p>A function responsible for directing and overseeing a line of business which comprises one or more types of regulated activities</p> <p>Example#: Chief Investment Officer, Head of Equity, Head of Corporate Finance, Chief Rating Analyst, Head of Fund Marketing</p>
3	Operational Control and Review	<p>A function responsible for:</p> <ul style="list-style-type: none"> ▪ Establishing and maintaining adequate and effective systems of controls over the corporation’s operations; ▪ Reviewing the adherence to, and the adequacy and effectiveness of, the corporation’s internal control systems <p>Example#: Chief Operating Officer, Head of Operations, Head of Internal Audit</p>
4	Risk Management	<p>A function responsible for the identification, assessment, monitoring and reporting of risks arising from the corporation’s operations</p> <p>Example#: Chief Risk Officer, Head of Risk Management</p>
5	Finance and Accounting	<p>A function responsible for ensuring the timely and accurate financial reporting and analyses of the operational results and financial positions of the corporation</p> <p>Example#: Chief Finance Officer, Financial Controller, Finance Director</p>



Core Function		Description
6	Information Technology	<p>A function responsible for the design, development, operation and maintenance of the computer systems of the corporation</p> <p>Example#: Chief Information Officer, Head of Information Technology</p>
7	Compliance	<p>A function responsible for:</p> <ul style="list-style-type: none"> ▪ Setting the policies and procedures for adherence to legal and regulatory requirements in the jurisdiction(s) where the corporation operates; ▪ Monitoring the corporation's compliance with the established policies and procedures; ▪ Reporting on compliance matters to the Board and senior management <p>Example#: Chief Compliance Officer, Head of Legal and Compliance</p>
8	Anti-Money Laundering and Counter-Terrorist Financing	<p>A function responsible for establishing and maintaining internal control procedures to safeguard the corporation against involvement in money laundering activities or terrorist financing</p> <p>Example#: Head of Financial Crime Prevention, Head of Compliance</p>

These examples of job title are for illustration only and are not exhaustive. A licensed corporation is not required to appoint MICs bearing the same job titles. However, there should be at least one individual to manage each Core Function as described in the table, and the licensed corporation may adopt any job title relevant to that MIC's position and duties as it considers appropriate.



Supplement 8A — Manager-In-Charge of Core Function(s)

This Supplement is ONLY applicable to corporations applying for a licence under section 116(1) of the Securities and Futures Ordinance (ie, not applicable to corporations applying to become temporary licensed corporations or registered institutions).

Name of corporation	
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Section 1: Particulars of Manager-In-Charge of Core Function(s)

Please provide the particulars of the individual you have appointed to be in charge of managing any of your core functions (see Explanatory Notes in **Annex 1** for details). If you have appointed two or more individuals to act as your Managers-In-Charge of Core Functions, please submit a separate Supplement 8A for each of them.

Full name in English _____
Surname *First* *Middle*

Full name in Chinese _____

HK identity card number [] [] [] [] [] [] [] [] [] [] ()

Passport number* _____ **Date of expiry*** _____ / _____ / _____
dd *mm* *yyyy*

Passport issuing country* _____

CE number *(if the individual is or has been licensed by the Commission)* _____

Place of residence _____
City *Country*

Job title _____

* Only applicable to a non-Hong Kong permanent resident.



Core Function(s) the individual is in charge of managing (Please tick "✓" where applicable.)	Reports to (Please state the individual's reporting line(s) ¹ within your corporation and, if applicable, within your group in respect of the relevant Core Function(s).)	Effective date	Proposed responsible officer²
<input type="checkbox"/> Overall Management Oversight			<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Key Business Line ³ <i>Please specify:</i>			<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Operational Control and Review			
<input type="checkbox"/> Risk Management			
<input type="checkbox"/> Finance and Accounting			
<input type="checkbox"/> Information Technology			
<input type="checkbox"/> Compliance			
<input type="checkbox"/> Anti-Money Laundering and Counter-Terrorist Financing			

Section 2: Confirmation

On behalf of the corporation named above, I confirm that the individual whose particulars are contained in Section 1 has been informed of and acknowledges (a) his or her appointment as a Manager-In-Charge of the corporation and (b) the particular Core Function(s) for which he or she is principally responsible.

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*Name of director/responsible officer/person authorized by the board of directors**

.....
Signature

.....
Date

* Delete where not applicable.

¹ For example, reports to (i) the Board of Directors or Chief Executive Officer of your corporation and (ii) the Head of Global Risk Management of your group.
² In light of their active participation in or direct supervision of the business of the your proposed regulated activities, individuals who will act as your Managers-In-Charge of any of the following two Core Functions:
 (i) Overall Management Oversight
 (ii) Key Business Line
 are expected to be responsible officers in respect of the particular regulated activities they oversee.
³ If the individual is in charge of two or more key business lines of the corporation, please state each of the relevant business lines, his or her reporting line(s) and the corresponding effective date for each business line.