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

SFC
證監會

Consultation Conclusions on the Draft Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules

《證券及期貨 (成交單據、戶口結單及收據)規則》草擬本的諮詢總結

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目錄

A. 引言

1. 證券及期貨事務監察委員會("證監會")在 2001 年 9 月 28 日，就《證券及期貨 (成交單據、戶口結單及收據)規則》的諮詢擬稿 ("《草擬規則》")，發表諮詢文件("《諮詢文件》")。

2. 《諮詢文件》載有詳盡規定，訂明就不同類別的受規管活動而獲發牌或註冊的中介人及其有聯繫實體須在何時發出成交單據、戶口結單及收據，以及該等文件的內容。

3. 諮詢期於 2001 年 11 月 9 日結束。

4. 附件 1 載有就該《草擬規則》所收到的意見摘要("《意見摘要》")。

5. 在考慮過所收到的意見書，及在與回應者進行深入討論後，本會認爲適宜對該《草擬規則》作出若干修訂。

6. 本諮詢總結旨在爲對該《諮詢文件》感興趣的人士，分析在諮詢過程中所提出的主要意見，以及解釋證監會在作出有關總結時的理據。本諮詢總結應與該《諮詢文件》及《意見摘要》一併閱讀。

B. 公開諮詢

背景

7. 《草擬規則》的制訂是爲了確保中介人的客戶能夠適時地收到涉及與他們進行的或代他們進行的交易的有用資料，而有關資料應包括交易確認書、所提供的財務通融及所訂立的保證金交易的日結單、所有活動的按月撮要及客戶戶口所持有的證券數量。

8. 從政策角度而言，《草擬規則》旨在：

- 適用於所有在獲發牌或註冊進行的受規管活動的過程中，與其客戶或代其客戶訂立合約，或收取及持有客戶資產的中介人及其有聯繫實體(如適用)。

- 將目前載於 3 條不同的條例 (即《證券條例》第 75 及 121Z 條、《商品交易條例》第 45A、及《槓桿式外匯買賣(簿冊、成交單據及業務操守)規則》第 4 條)、《證監會註冊人操守準則》及《基金經理操守準則》內的規定精簡合理化；

- 避免在當兩名中介人同時涉及與一名客戶的交易時，重複發出有關文件；

- 容許成交單據與戶口結單綜合起來(如適用)，以配合單一牌照制度

的推行；

- 准許在證券及期貨合約交易的成交單據上說明平均價格；及
- 放寬目前關於證券保證金融資的披露規定。

諮詢過程

9. 除了發出公告邀請公眾發表意見外，證監會還將該《諮詢文件》派發予所有註冊中介人、多個專業團體及財經事務局。該《諮詢文件》亦同時載於證監會網站。

10. 證監會曾在諮詢期內及之後與業內人士及其法律顧問舉行多次會議，就他們的意見進行磋商。

11. 我們從包括基金管理公司、國際經紀行、律師行、業界代表組織、專業組織及業內監管機構在內的業內人士，收到了 22 份意見書。其中一份意見書內附有該回應機構就其會員所進行的意見調查。

12. 有關意見的整體評語都是正面的。回應者對建議《規則》普遍表示歡迎。我們所收到的意見不論在所涵蓋的範圍及深度方面均有很大差別。有部分回應者將焦點放在大原則之上，而其他則針對各項細節及要求作出澄清。

C. 諮詢總結

規則的適用範圍

13. 《草擬規則》大致上規定與其客戶或代其客戶訂立合約的所有中介人，必須在其獲發牌或註冊進行的受規管活動的過程中，向其客戶提供成交單據。若中介人提供財務通融或與其客戶或代其客戶訂立保證金交易，《草擬規則》亦規定該中介人或其有聯繫實體須向客戶提供包括戶口條款的撮要在內的戶口結單。此外，所有中介人或其有聯繫實體均須提供載有戶口的全部活動的撮要的月結單，及證明收妥客戶資產的收據(若干例外情況除外)。

14. 我們注意到，在該《規則》制訂之前，根據有關條例須提供成交單據及戶口結單的規定，只適用於特定類別的持牌或獲豁免人士(主要爲證券交易商、期貨交易商、證券保證金融資人及槓桿式外匯交易商)。然而，《證券及期貨條例草案》("《條例草案》")擴大了中介人目前可進行的受規管活動的範疇。因此，《草擬規則》的範疇亦需要相應地擴大，以涵蓋新增的受規管活動。

15. 《草擬規則》就以下各項提供有限度豁免：(a) 與專業投資者客戶進行的交易；(b) 就提供資產管理服務而獲發牌或註冊的中介人；及(c) 可能會由兩名中介人重複地向客戶發出同一套文件的情況。

16. 除了對《草擬規則》進行若干修改外，本會認爲上述規定代表了正確的監

管取向。

就提供資產管理服務而獲發牌或註冊的中介人可獲豁免

17. 一名基金經理關注到，目前的法例並沒有規定基金經理須就該基金經理代表集體投資計劃所進行的所有證券交易活動，向其有關計劃的客戶(即獲委任代表該計劃的權益的受託人或保管人)發出確認成交單據及戶口結單。該名回應者反對在《草擬規則》內施加有關規定，因爲根據目前的市場慣例，基金經理無須遵守有關規定。

18. 我們注意到根據市場慣例，集體投資計劃的基金經理通常會就每宗交易向保管人發出若干形式的確認，以便保管人可以交收有關交易。事實上，該名保管人亦會從執行交易的經紀方面再次收到一份成交單據，以便交收有關交易。之後，保管人便會在交收交易之前，將所收到的兩份文件互相加以核對。

19. 有鑑於此，就提供資產管理服務而獲發牌或註冊的中介人，在進行資產管理活動時，將可獲豁免遵守該《規則》內的規定，但就自任何客戶或爲任何客戶的戶口所收取的客戶資產發出收據，及就集體投資計劃以外的管理基金戶口發出戶口月結單的規定則除外。

20. 爲了確保酌情戶口的客戶可以恰當地監督其戶口內的活動及持倉，我們已擴大了按月匯報規定的範圍，以包括在該月所訂立的所有有關合約一覽表，及在月結時的款項結餘、須就戶口支付及收取的款項詳情。

與專業投資者進行的交易可獲豁免

21. 《草擬規則》載有豁免條文，容許如專業投資者同意的話，可放棄其收取戶口月結單的權利。我們曾就這項豁免的範圍另外徵詢業界的意見。業界的回應清楚地表示出它們希望擴大有關範圍。

22. 很多業內人士都主要關注到，有關的交易活動如涉及專業投資者，便無需或不適宜規定中介人須發出詳細的成交單據及戶口結單，況且國際市場上早已存在關於標準文件的規定。

23. 業界以證券交易活動(例如證券包銷、包銷商配售股份、股份借貸、有抵押場外股票期權交易)爲例，指出上述每項活動都有其本身一套符合認可的國際慣例的文件規定和確認程序。

24. 業界認爲本會在處理它們所關注的事項時，可以在該《規則》內就中介人與專業投資者進行或代專業投資者進行的交易提供一般豁免。業界注意到，該豁免如得到落實，將會與目前的《證監會註冊人操守準則》("《守則》")第 15 段的規定看齊。根據該有關段落，專業投資者可分爲兩類，只要他們明確地表示同意或在收到通知後不表示反對，該《守則》內的若干條文(包括提供與他們的交易及戶口有關的若干文件的條文)便不會適用於他們。

25. 在考慮過業界的意見後，本會同意提供更大的靈活性，以利便市場與專業投資者進行及在專業投資者之間進行的交易。因此，中介人在與專業投資者進行交易時，只要有關的專業投資者同意，中介人可無需遵守該《規則》。

26. 在要求專業投資者表示同意一事上，我們明白到及接受在若干情況下，中介人很難取得專業投資者的明確書面同意。

27. 我們普遍地信納，可無需從該《條例草案》附表 1 第 1 部(第(a) 至 (i)段)內具體地提述到的專業投資者取得明確書面同意。然而，對於純粹因爲《證券及期貨(專業投資者)規則》("《專業投資者規則》") 而被列爲專業投資者的其他客戶而言，這項安排可能並不適合。《專業投資者規則》草擬本在 2002 年 2 月發表，以諮詢公眾意見，並建議將符合若干最低資產或組合金額規定的個人、法團及信託列爲專業投資者。《專業投資者規則》草擬本承認這類投資者可能未必具備如該《條例草案》具體地提述到的專業投資者的同等市場經驗及資源。

28. 在顧及到這兩方面的考慮後，我們修訂了《草擬規則》，以致就根據《專業投資者規則》可符合資格成爲專業投資者的該批投資者而言，中介人必須取得他們的明確書面同意，才可以寬免遵守該《規則》內適用於中介人的責任。

29. 就那些在《條例草案》內被明確地提述爲專業投資者的投資者而言，中介人可以透過向該等投資者發出通知，以便就寬免遵守該《規則》的規定取得他們的同意。該通知書應說明，除非投資者反對，否則會當作他們同意寬免中介人遵守其在該《規則》下的責任。

30. 我們相信這監管取向可以爲兩類專業投資者提供該《規則》下的保障，及同時可盡量減低對中介人所造成的行政負擔。這種監管取向除了與該《守則》目前的取向一致之外，亦得到了要求獲得豁免的業內人士所接納，以及被認爲是一項務實的折衷辦法。

31. 一名回應者認爲，如允許專業投資者寬免中介人遵守發出成交單據的規定，便可能會削弱在《印花稅條例》(第 117 章)下中介人需發出成交單據的規定，或與有關規定互相抵觸。

32. 明顯地，這並非該《規則》的原意。爲了避免在這事宜上引起混亂，我們加入了具體條文，確認該《規則》並不會影響到中介人在《印花稅條例》下需另行遵守的任何其他責任。

<u>避免重複</u>

33. 《草擬規則》第 5 條旨在避免兩名同時在香港營運並涉及同一宗交易的中介人向同一名客戶重複地發出文件。一名回應者注意到草擬本的內容並沒有充分地說明在該等情況下，最終須由哪一方負責發出文件。

34. 我們同意並修改了有關條文，以澄清這項豁免只適用於當有關客戶是該兩名中介人的共同客戶的情況，及該兩名中介人或其有聯繫實體(視屬何情

況而定)必須根據該《規則》擬備及送達成交單據或戶口結單，並且必須事前已就會由哪一方來向客戶提供所需的文件達成書面協議。

如中介人的有連繫法團(屬核准司法管轄區內的受規管實體)提供同等文件，則該中介人可獲豁免

35. 很多在全球各地均有業務及在離岸地區設有最終控股公司(或總公司)的市場參與者都關注到，就該《規則》所涵蓋的並由中介人在香港進行的活動而言，有關的文件(例如確認書及月結單等)目前是由中介人在離岸的有連繫法團(而並非中介人本身)向客戶發出的。在大部分情況下，客戶的戶口都是由這些離岸的有連繫法團直接持有。在其他情況中，中介人可能在客戶協議下已將交收、保管及提供交易文件的責任轉授予或分包予離岸的有連繫法團。

36. 我們明白及接受爲了提高營運效益，由若干海外的有連繫法團(通常是在英國及美國受到規管的實體)來負責代有連繫的公司集團內的所有經紀行履行該等職能是明智的做法。如規定中介人須重複地發出文件，便需要對有關系統進行重大革新，但卻不會對客戶帶來額外的裨益。

37. 有鑑於此，我們同意在英國或美國(即核准司法管轄區)的有連繫法團如果屬於 –

- 經營提供金融或投資服務的人士，並就該業務在核准司法管轄區內受到規管；或
- 根據核准司法管轄區的法律受到規管的銀行，

以及根據該司法管轄區的適用法律及在有關法律所規定的範圍內提供成交單據等，則我們不會要求該中介人遵守該《規則》。我們已在該《規則》內加入相應的條文。

38. 鑑於加入了該項新條文及對《草擬規則》第 5 條作出了輕微的修改，我們已因爲重複的理由而將原來的第 3 條有關適用於介紹經紀的豁免條文刪去。

罰則條文

罰則的刑事性質

39. 《草擬規則》只對在沒有合理辯解的情況下違反該《規則》的人士／機構施加罰則。有關的違規行爲構成刑事罪行及可能會被判處罰款最高 25,000 元 (第 4 級罰款)。

40. 一名回應者雖然承認所訂明的罰則只屬罰款性質，但卻質疑是否適宜對違反屬於行政性質的規則的人士／機構施加刑事罰則。本會的回應是，我們認爲所訂明的罰則是合適的，理由是當本會在決定就違規行爲採取任何行

動時，都會考慮到所有情況，包括出於不小心及輕微的違規行爲。

加入關於意圖詐騙的罰則

41. 我們加入了關於意圖詐騙從而違反該《規則》的規定的罰則，最高刑罰是判處罰款最高 1,000,000 元及監禁 7 年 (一經循公訴程序定罪) 或判處罰款最高 500,000 元及監禁 1 年 (一經循簡易程序定罪)。該罰則條文根據該《條例草案》第 148(4) 條獲得批准。我們認爲這項條文非常重要，因爲任何人如意圖詐騙從而違反該《規則》都應受到適當的懲罰。

文件內容：對有關成交單據、戶口日結單及收據的特定規定作出修改

42. 我們所收到的多項意見均對有關成交單據、戶口日結單及收據的若干內容規定提出異議。

43. 一般來說，回應者均指出：

- 鑑於普遍用作成交單據及收據的紙張的實際面積所限，很難將所有必需的資料，以及客戶地址，清晰地包括在那些文件內；及
- 不能輕易地改裝目前已確立的系統(即環球銀行財務電信協會(SWIFT)及 Oasys Global)，以便傳送全部所需的資料(尤其是與交易無關的具體資料)。

44. 數名業內人士特別要求刪除以下各項：

- 根據《草擬規則》第 4 條需在成交單據內顯示的中介人中央編號及地址；及
- 需在戶口日結單內顯示的有關被接納作爲證券抵押品的物品的名單，連同適用的保證金比例。

45. 我們在作出回應時，已進一步考慮到這些及其他有關詳情的作用，並同意：

- 無需在該《規則》所提述的任何文件內顯示中介人的中央編號；
- 客戶的地址只應包括在戶口日結單及月結單內；及
- 有關中介人會接受作爲抵押品或保證物的項目的一覽表、追繳保證金的政策細節，及客戶資產在何種情況下可被變現或其未平倉合約會被平倉等資料，可無需載於戶口日結單之內，因而已從該《規則》內刪去。

46. 業界亦要求本會澄清當中介人每天就保證金交易的未平倉合約按市價計算差額時，是否需要提供戶口日結單。

47. 關於需要就保證金交易而提供的戶口日結單，我們現已在該《規則》內加以澄清，表示只有在有關交易屬於開倉及平倉合約時，才需要提供有關結單。

披露平均價格資料

一般應用

48. 《草擬規則》規定中介人必須應客戶要求在成交單據內提供所購入或出售的證券或期貨合約的平均單位價格。這項條文旨在回應規模較大的商號早前所提出的要求。這些商號曾表示它們有需要按照客戶的要求報出平均價格，但礙於目前的法例規定，卻無法這樣做。

49. 然而，市場人士卻將《草擬規則》詮釋爲必須應客戶要求提供平均價格資料，並擔心他們目前的系統未必能夠配合有關要求。

50. 我們在作出回應時修訂了該《規則》，澄清中介人無需但卻可以向客戶提供平均價格資料。

槓桿式外匯交易合約

51. 一名回應者要求准許就槓桿式外匯交易合約提供平均價格資料。

52. 我們認爲此舉並不適合，因爲中介人普遍以交易主事人身分(及並非只單純以客戶代理人身分行事)就槓桿式外匯交易合約進行交易。目前，他們必須說明收到及執行客戶指示的時間，以提高有關執行交易的透明度。如允許提供平均價格資料，便會與希望客戶能夠收到有關這些特殊類別的交易的詳細資料的原意背道而馳，及削弱對投資者的保障。

提供所報出的平均價格的相關詳情

53. 《草擬規則》規定如已向客戶提供平均價格資料，中介人便須在收到客戶請求的 2 個營業日內，向該客戶提供每宗相關買賣的詳情。一名回應者要求延長有關期限至 5 個營業日。另一名回應者要求規定客戶可以在 2 年的期限內提出有關請求。

54. 我們同意採納 2 年的期限，因爲這與該《規則》就成交單據及戶口日結單所施加的保留期限一致。因此，我們已加入 2 年期限的規定，客戶可以在有關期限內要求提供相關資料。

55. 本會認爲即使延長中介人提供所需資料的期限日數亦不會削弱對投資者的保障，尤其是有關資料可能涉及在過去 2 年內進行的交易。因此，本會已在該《規則》內，將有關期限由 2 個營業日延長至 5 個營業日。

戶口月結單

56. 《草擬規則》規定如客戶在該月份的會計期結束時持有結餘，或中介人或有聯繫實體代該客戶持有證券或抵押品，便須向客戶提供戶口月結單。

57. 我們注意到這規定與目前在該《守則》內的規定並不完全一致。該《守則》

規定，除非戶口在該月內並無交易或任何收支項目，及沒有未清繳的結餘或持有抵押品，否則便須向客戶提供戶口月結單。

58. 爲了適當地反映我們有關保留目前的規定的意圖，我們已修訂該《規則》，規定如客戶在該月份的會計期內有任何結餘或由該中介人或有聯繫實體代爲持有任何證券或抵押品，便須向客戶提供戶口月結單。

收據

持有無紙化證券的保管人可獲豁免

59. 一名回應者要求寬免持有無紙化證券的保管人遵守有關發出收據的規定。我們同意由於有關的政策目的是要求中介人純粹就證券證書發出收據，因此已在該《規則》內加入該項豁免。

客戶存放在註冊機構或認可財務機構的款項可獲豁免

60. 《草擬規則》第 12(2)(a) 及 (b)條的字眼已作修訂，以澄清在以下情況中，根據有關的政策目的，中介人無需發出收據 -

- 中介人是註冊機構或其有聯繫實體是認可財務機構 (與《證券及期貨(客戶款項)規則》的規定一致)；或
- 客戶款項是由客戶直接存入銀行(客戶必然會從銀行取得收據，證明已存入款項)。

交付的限期及程序

61. 市場人士就交付規定，包括發出戶口日結單及月結單的限期，及可接納的交付方式，提出多項意見。我們已對該《規則》作出多項修訂，以回應有關的意見。

交付月結單的限期

62. 《草擬規則》規定戶口月結單必須在每個公曆月結束後 7 日內，向客戶交付戶口月結單。多名回應者要求給予較長的期限(至少 7 至 10 個營業日或更長)，因爲有時可能需要較長的時間才可以編成有關資料，這對於需要等候海外保管人提供資料的資產經理來說尤其如是。

63. 此外，至少兩名回應者提議戶口月結單無需經常以公曆月的月底作爲參照期限，及該《規則》應靈活地接受不同的月份周期，就如目前銀行業所批准採用的那套計算方法一樣。這方面的靈活性將容許中介人以更有效率的方式分配他們在一個月內的行政工作量，及避免將大部分工作積壓至月底才完成。

64. 關於須交付月結單的限期，根據《證券條例》第 75A 及 121Z 條，適用於提供證券保證金融資服務的商號的時限是由月底起計的 7 個營業日內。業界在應付這個限期方面看來沒有問題。我們因此同意將限期由 7 日改爲 7 個營業日。

65. 然而，我們了解到資產經理基於實際考慮可能需要較多時間。因此，我們已將適用於資產經理的限期由 7 個營業日改爲 10 個營業日。

66. 我們察覺到准許中介人自行編排其月底周期的做法，對於利便行政工作非常有用。因此，我們已修改了該《規則》，容許中介人自行決定其月結日期。

禁止中介人的僱員或高級人員代客戶收取文件

67. 由於該《規則》批准“該客戶以書面指定的任何人”收取指定的文件，有回應者要求本會澄清除了客戶之外，誰人可以收取有關文件。在考慮這個問題時，我們覺得從政策角度來說，適合的做法是在該《規則》內加入條文，禁止中介人的僱員或高級人員被指定爲代客戶收取成交單據等的人士。

68. 我們認爲這項限制不單合適，而且對於保障投資大眾的一般利益來說是必要的。爲了防止有人濫用該規定及將必要的文件扣起而不交予客戶，該指定人士應該獨立於該中介人。

交付方式

69. 多名回應者都將《草擬規則》詮釋爲規定中介人必須在客戶提出要求時，以專人交付所需的文件。回應者亦關注到，《草擬規則》內有關需採用適當的程序，以確保可透過其他方式成功地交付所需的文件的規定，會爲中介人帶來難以履行的責任。

70. 我們注意到，《條例草案》第 386 條爲施行該條例，就需發出或送達予任何人的文件的送達方式作出規定。由於根據該《規則》所需提供的文件只要能夠按照《條例草案》的條文送達予客戶便已足夠，我們已將有關規管交付方式的條文刪去，及以“送達”一詞取代該《規則》內對 “交付”的所有提述，以配合該詞在《證券及期貨條例》內的使用。

文件所採用的語文

71. 《草擬規則》容許客戶選擇在指定的文件內所採用的語文。這條文引來了市場參與者的一些意見，他們擔心需要將其以英語爲本的文件系統改爲以中文爲本的系統，以應付客戶所需。

72. 我們現已將投資者選擇所採用的語文的權利刪去，並規定根據該《規則》需提供予投資者的文件，必須以其中一種法定語文撰寫。此舉使業內人士

可以根據其業務的需要，酌情決定是否使用英文或中文。我們認爲投資者即使不滿意其中介人的語文選擇，亦有足夠數量的其他中介人可供選擇。

技術修訂

73. 我們已將所有對中介人的 “獲豁免”身分及 “獲豁免人士”的提述，分別改爲 “註冊”身分及 “註冊人士”，以反映《證券及期貨條例》內的詞彙的修訂。這些改變不會對該《規則》造成實質影響。

D. 生效日期

74. 《證券及期貨(成交單據、戶口結單及收據)規則》將會在《證券及期貨條例》第 VI 部的指定生效日期起實施。

Draft Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules
Summary of comments received and SFC's response

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
1.	1	**Commencement**	[HKSbA] A reasonable grace period is needed for implementing the changes.	We propose to post the consultation conclusions with the revised draft Rules on our web site as soon as practicable. This will give intermediaries and their associated entities more time to amend their systems in anticipation thereof.
2.	N/A – formerly section 2	**Interpretation** Meaning of "contract note"	[LSHK] There is a need for clarification whether an informal confirmation, if sent in the form of a document, must include all the contents required for a contract note, if such informal confirmation is followed up by a formal confirmation.	Our intention is to ensure that a formal contract note that meets the requirements of these Rules is provided to the client. Informal confirmations need not conform to the requirements of these Rules so long as there is a conforming contract note that follows. Since "contract note" is intended to be a generic term in these Rules, we have deleted its definition from the interpretation section for being unnecessary.
3.	2	Meaning of "relevant contract"	[LSHK, Linklaters] There is a concern that "relevant contract" can be interpreted widely to cover: (a) underwriting arrangement, (b) placement of shares by underwriter, (c) stock borrowing and lending transaction, and (d) collateralised physical-settled over-the counter stock option transaction. All such transactions are appropriately documented under current market practice. Issue of contract note or daily statement creates additional burden. It is also questioned that this is not consistent with the approach of relaxation proposed in draft SBL Exemption Rules.	To address the concerns, we have added the new s.3(2) so that the Rules do not apply where a client of the intermediary who is a professional investor, provided that (a) where the client is a professional client as specifically defined in Schedule 1 to the Securities and Futures Ordinance ("SFO") itself, the intermediary or associated entity notifies the client that it will not provide contract notes etc. and the client does not object; and

All section numbers in this Summary of Comments have been revised so that they correspond to the section numbers of the draft Rules now being placed before the Subcommittee

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
			An exemption from the Rules in respect of transactions with "professional investors" would be one way of addressing these situations.	(b) where the client is a professional client as specified under the Securities and Futures (Professional Investor) Rules, the client agrees in writing not to receive contract notes etc.
4.		Meaning of "relevant contract"	[LSHK] Clarification is sought as to whether these definitions apply to transactions which would not constitute, because of exceptions in Schedule 6 to the Securities and Futures Bill (the "Bill"), "dealing in futures contracts" or "dealing in securities". [HKSbA] "Dealing in securities" is defined in Part 2 of Schedule 6 and it includes the issuing of forms of debentures or advertisements or prospectus. Under this definition of "dealing in securities", it is not thought that contract notes are relevant in issuing debentures or prospectus etc. Similarly, the governing content requirement provision which touches on "dealing in securities" and "or other dealing" poses the same problem as mentioned.	Our intention is not to apply these Rules to transactions which would not constitute "dealing in futures contracts" or "dealing in securities". The position is now made clear by now adopting the definition of "dealing in futures contracts" or "dealing in securities" in Part 2 of Schedule 5 of the SFO. As there is no relevant contract involved in the activity of issuing a prospectus, advertisement or forms of debentures, these Rules do not get triggered and do not apply to those activities.
5.	N/A – formerly section 3	**<u>Exemption</u>** These Rules do not apply to an intermediary in relation to a relevant contract entered into between a person ("A") and either another intermediary ("B") or its equivalent regulated by a jurisdiction outside Hong Kong ("C") in respect of which – (a) the intermediary has merely passed on to A an offer to conduct regulated activity by B or C and -	[LSHK, Linklaters] Many of the international financial institutions in HK organise their business such that a HK registered entity will have a relationship with Asian clients, but another financial institution (usually an overseas affiliate of the H K registered person) will be responsible for executing, clearing and settling trades and providing custody of cash and assets, and will also be responsible for sending out contract notes, statements of account etc. There is a concern that these arrangements may not	It is not our intention to expand the scope of the current requirements under s.75 of the Securities Ordinance ("SO"). Our position has now been clarified by deleting the original s.3 and adding s. 4(2) to the effect that the Rules do not apply to an intermediary or its associated entity where it has an arrangement with a foreign regulated entity in an approved jurisdiction ("C") that C will prepare and serve on

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
		(i) B issues a contract note, statement of account or receipt to A in accordance with these Rules; or (ii) C issues the equivalent of a contract note, statement of account or receipt to A in accordance with the law applicable to it in the jurisdiction in which it is regulated; or (b) the intermediary has merely introduced A to B or C. **<u>Avoidance of duplication</u>**	fall within the scope of the exemption in s.3 of the draft Rules, as the H K registered person is not just passing on an offer from the other entity to conduct regulated activities nor is the Hong Kong registered person merely introducing persons to the other entity. Nor would the "avoidance of duplication" exemption apply since it is only available where the other entity is based in Hong Kong, and is also a registered person, but not where the other entity is based offshore. The exemption should be extended to foreign intermediaries. It is suggested that the exemption is expanded to include the situation where a person regulated by a jurisdiction outside Hong Kong issues a document in accordance with or as required by the law applicable to it.	the client a contract note, statement of account or receipt in accordance with and to the extent required by the law applicable to C in the relevant approved jurisdiction (namely UK and US). Our policy intention to apply "avoidance of duplication" exemption where the other entity is an intermediary in Hong Kong is clarified by amending the text of the original s.5(1) (now s.4(1)) to provide that this exemption would apply only where the client is a mutual client of A and B and both A and B are required to prepare and serve a contract note or statement of account in accordance with these Rules for entering into a relevant contract on behalf of the client.
	4	Where an intermediary ("A") or any associated entity of A knows or has reasonable cause to believe that another intermediary has prepared and delivered to a client of A a contract note, statement of account, or receipt in accordance with these Rules, neither A nor any associated entity of A is required to do so in respect of the same matter.	In certain circumstances, the laws and regulations of the foreign jurisdiction may not require a document to be prepared. In such case it should still not be necessary for the Hong Kong based intermediary to prepare a contract note, statement of account or receipt in accordance with the draft Rules. Alternatively, there should be an exemption from the draft Rules in respect of transactions with "sophisticated or professional investors". This can help to resolve most of the aforesaid problems. It may still be a problem, however, if the client does not agree to give waiver.	To further address any perceived additional burden these Rules may impose, we have revised the Rules to allow professional investors to waive receipt of any documentation required under the Rules (please see our response to comment 3).

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
6.			[LSHK] Since the requirement to prepare a contract note only applies, in any event, in respect of every relevant contract entered into HK by an intermediary with or on behalf of a client of the intermediary, (the original) s.3 as drafted appears unnecessary. In the circumstances described in s.3(a) and (b), the relevant "intermediary" will not be entering into a contract but is merely acting as an "arranger".	Point taken. Please see our response to comment 5.
7.	N/A – formerly section 4	**<u>Information required in all cases</u>** Each contract note, statement of account and receipt must include the following information, where applicable – • the name under which the intermediary or associated entity carries on business and the address of the principal place in Hong Kong at which business is carried on; • the CE number of the intermediary or associated entity; • the name, address and account number of the client; and • the date on which the contract note, statement of account or receipt is prepared.	[Linklaters, JFAM] Relaxation on particulars of disclosure in contract note is asked for the contract notes issued to professional investors (for example only include basic trade details) It is common for trade confirmation to be transmitted by electronic means and the following difficulties are envisaged: (a) existing well established international system e.g. Swift, Oasys Global, cannot cater to transmit all the information required, amendment is needed to accommodate the new rules (b) in particular for data which are not trade specific: address of the intermediary and client, CE no., statement of acting as principal, cash or margin, name of market/exchange, such data is not transmitted in existing electronic system and not considered useful among professional users	Please see our response to comment 3. Point taken. We have reduced to the minimum the amount of non-trade specific information that needs to be included in the contract notes, statements of account and receipts. Furthermore, to give a more logical presentation of the provisions, we have deleted s.4 and absorbed it into the text of the rules relating to contract notes (s.5(3)) and receipts (s.12(3)), and have added the new s.7 in respect of statements of account.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
			(c) trade confirmation issued by asset management company to custodian (on discretionary account) does not include name, address and account no. of client.	We have added s.3(1) so that asset managers will only be required to issue monthly statements of account and receipts. As we think it an important control for retail discretionary clients to be able to review the monthly statements for any irregularities, we have added s.11(6)(b)(iii) & (iv) and s.(6)(d) so that asset managers must provide details of the money balance, payable and receivable, and all relevant contracts to their discretionary clients in the monthly statements of account.
8.			[ISD] Due to physical size of paper generally used for contract notes and receipts, it will be difficult to include legibly all the required information, as well as client's address, onto those documents. It is suggested that requirements for inclusion of client's address should be put on Consolidation of Daily Statements of Account but not on contract notes and receipts.	Point taken. We have revised the Rules so that client's address will only be required in the daily and the monthly statements of account.
9.	4	**<u>Avoidance of duplication</u>** Where an intermediary ("A") or any associated entity of A knows or has reasonable cause to believe that another intermediary has prepared and delivered to a client of A a contract note, statement of account, or receipt in accordance with these Rules, neither A nor any associated entity of A is required to do so in respect of the same matter.	[Anonymity] Comments on avoidance of duplication (a) prior written consent from client should be required (b) [CC] Consumer Council thinks that the SFC should ensure that one set of contract notes is actually passed to clients. In other words the execution brokers should be clearly required to issue contract notes.	(a) Client consent should not be necessary as the other intermediary is still subject to the same requirement. (b) Point taken. We have revised this section so that there must be an agreement in writing and that in the new s.4(2), there must also be an arrangement in place. Please also see our response to comment 5. This is contrary to the market practice where the clearing broker is often the entity issuing the contract note to clients.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
			(c) [LSHK, Linklaters] An exemption should also be extended to foreign intermediaries who had issued equivalent documents, as in the case in s.3.	(c) Please see our response to comment 5.
10.			[Anonymity] Reference is made to the provision of "prepared and delivered to client". Question is what is regarded as client. In the case of a collective investment scheme, apart from the fund manager, parties appointed to perform day-to-day role and functions in connection with the funds activities usually include custodians, trustees and the administrators. Sometimes, it could happen that the fund management company through a delegation also takes on the role to act as the administrator of a fund. Therefore, question is whether client to be extended to cover the administrator even if it happens to be the fund management company itself.	It is not necessary for a fund to specifically designate a firm to receive contract notes etc from an intermediary. The normal custodial/ administrative agreement would suffice. We have now also replaced "deliver" by "serve" throughout these Rules to correspond to the terminology used in clause 386 of the Bill for better presentation. The definition of "deliver" has been replaced by a definition of "serve" which, in relation to a client, includes service on a designated person. On reflection, clients have not been able to detect trading malpractices and misappropriation of clients' assets because they do not receive contract notes etc. They have in fact authorized their account executives to collect them on their behalf. We need to disallow this as this may seriously undermine the effectiveness of these Rules. We have now defined "designated person" in s.2 to exclude an employee or officer of an intermediary.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
11.			[DHB] In the case of a bank (an exempt dealer) which passes a client's order to a broker for execution, does this mean that the bank needs only to pass to the client the broker's contract note (which conforms with the requirements of the Rules) issued to the client without having to issue a separate contract note in the name of the bank. The bank simply issues a confirmation to the client with the contract note attached.	The bank is required to prepare and serve a contract note if it is entering into the relevant contract on behalf of the client. If the "avoidance of duplication" exemption of s.4 applies and the bank has agreed with the execution broker that the latter will prepare and serve a contract note in accordance with these Rules, then it is not necessary for the bank to do the same in respect of the same matter.
12.	5	**Preparation and provision of contract notes**	[Linklaters] While it is proposed to create an exemption from the need to provide monthly statements of account to professional investors who agree to this in writing, we suggest that an exemption should also apply as regards contract notes for clients who are professional investors. We recognize that the Stamp Duty Ordinance in some circumstances requires contract notes to be produced in any event, but this only relates to "Hong Kong stock", and the contents requirements under s.19 of the Stamp Duty Ordinance are not as detailed as the requirements in the draft Rules. Accordingly, the exemption would still be of benefit, particularly in the case of transactions such as VWAP (value weighted average price) trades. Another possibility might be to allow the contract note requirements to be relaxed where investors wish only to receive monthly statements, with the contract note information being consolidated into the monthly statement.	Point taken. Please see our response to comment 3 above. For the avoidance of doubt, we have revised the Rules to make clear that nothing in these Rules should affect any requirement in the Stamp Duty Ordinance (please see new s.3(3)). This will only be an option where the client is a professional investor.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
13.	5(1)(b)	Contract note can be issued to any other person designated in writing by the client	[Lloyds] The words "in writing" should be deleted as there are occasions where instructions other than in writing are accepted. Similar suggestion for the issuance of statements of account and receipts.	Disagreed. There may not be a sufficient audit trail to resolve any disputes between an intermediary and its clients.
14.	5(1)(b)	Contract note is delivered to clients or any other person designated in writing by the client no later than the end of the second business day after entering into the relevant contract	[CC] Given that the issuance of contract notes are computerized, the Consumer Council has queried the rationale behind the extension of time for providing a contract note to a client from one to two business days.	When the generation of the contract notes can be done on T+1, we cannot expect the service to be made on T+1 all the time. It is not desirable to make law that we know, at the outset, cannot realistically be enforced.
15.	5(3)	Particulars of relevant contract required to be disclosed in the contract note	(a) [Anonymity] details of options contracts should be included e.g. expiry month, option type (put or call). (s.5(3)(c)(i))	Disagreed; these may be too specific and require the Rules to be updated each time there is a new/ modified product. We can rely on "any other particulars sufficient to identify them" to achieve the same result.
			(b) [Anonymity] due to different features in different markets, guideline regarding "opening" or "closing" should be given. (s.5(3)(c)(iv))	Disagreed; these terminologies are commonly used and understood by the market.
			(c) [HKSbA] not clear about the meaning of "performance" in s.5(3)(e)(ii) – the date of settlement or performance, whether it covers "partial performance" as distinct from "total performance".	This means the expiry date as in s.45A of the Commodities Trading Ordinance ("CTO"). There should not be an issue over "partial performance" and "total performance".
			(d) [JFAM] date of settlement for unit trust dealing cannot be determined because there is no contractual settlement. Instead date of payment received is disclosed. (s.5(3)(e)(ii))	S.5(3) only requires particulars to be included where applicable. In this case, it will appear that it is not necessary to include the date of settlement on the contract note.

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			(e) [JFAM] commission payable in s.5(3)(f) should only refer to commission payable by client and not include commission payable to intermediary who referred the client. (f) [JFAM] s.5(3)(h) requires disclosure of charges. For unit trust deals, initial/redemption charges payable in connection with the relevant contract are included in the prices which are disclosed on the contract notes. The basis of calculating prices and charges are contained in the offering document of the unit trusts. It is to clarify whether further information is required to be disclosed in the contract note. (g) [JFAM] For asset managers who manage funds on a discretionary basis, the content requirements of the trade confirmations should be agreed between the asset manager and the custodian, as opposed to the draft Rules which are intended to cover the broking industry.	Yes. We understand that the basis of quoting and publishing dealing prices may not be uniform among all fund managers (some gross, and some net of the charges). Investors will be better served if they are not required to always refer back to the fine details in the offering documents. On the balance, we think it sufficient to disclose the percentage of such charge. In more general terms, s.5(3)(h) of the Revised Rules now permits the basis of calculation of such charges be shown instead of the amount of charges. This comment has been superseded by the new s.3(1). Please see our response to comment 7.
16.	5(4)	Contract note should specify whether the client's account is a cash account or a margin account.	[Anonymity] Where an intermediary only maintains cash securities accounts (also include unit trust business where no margin facility is provided) but not securities margin accounts for clients, the intermediary should not be required to specify on the contract note whether the client's account is a cash account or a margin account.	Point taken. We have revised s.5(4)(a) accordingly so that the contract note needs only to indicate where the account is a margin account.

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17.	5(4)(b) 5(5)(a)	Contract note must disclose average price per unit or per futures contract at the request of client	[Anonymity] There is concern that provision of average price to client may result in breach of s.19(2) of the Stamp Duty Ordinance and s.45A(2) of the Commodities Trading Ordinance which both require disclosure of price in contract note.	Please see our response to comment 12.
18.			[LSHK, Linklaters] The wording "at the request of client" is unduly restrictive. As long as client agrees (e.g. sign a letter), this should be sufficient. For professional investors, average price can be used as long as the client is notified and has not objected given additional protection is provided in s.6(7). Exemption for trades of professional investor can also resolve the difficulties posed by cases of VWAP, closing price orders and programme trades. The transaction may be effected partly as agent and partly, so as to achieve the agreed price, as principal.	Generally we believe that average pricing should stem from a client's request and not initiated by the intermediary. Please see our response to comment 3.
19.			[General comment] As not all intermediaries are able to provide average pricing to clients, the giving of average pricing should not be made compulsory at client request.	Point taken. We have now added s.5(7) so that an intermediary may (instead of must) adopt average pricing at the request of a client.
20.			[CC] The Consumer Council supports the requirement that average price could be used if a client so prefers and any change of preference could be made afterwards.	Noted.
21.			[ISD] The meaning of "the average price per unit" is not clear and definition should be included in Interpretation.	Disagreed. We think that the "average price per unit" is sufficiently clear.

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22.	5(4)(c)(i)	Contract note shall indicate if a trade is related to a short selling order, where the intermediary knows this	[JFAM] Clarification as to whether the indication of being related to short selling order is necessary for a broker's contract but not for a trade confirmation issued by an asset management company to a custodian.	This comment has been superseded by the new s.3(1) under which asset managers will no longer be required to issue contract notes or daily statements of account.
23.			[HKSbA] From the wording "the intermediary knows this", it can be implied that this is not applicable where the intermediary does not know that this is related to a short selling order as a matter of fact.	We have revised s.5(4)(c)(i) to refer to "a short selling transaction". An intermediary is required to ascertain whether a sale order is a short selling transaction by virtue of clause 166 of the Bill (now s. 171 of the SFO). The SFC has prescribed the manner on how this is expected to be done in accordance with the relevant codes and guidelines of the SFC.
24.	5(4)(c)(ii)	Contract note shall indicate if a trade is related to a borrowing or lending under a securities borrowing and lending agreement	[Linklaters] This clause, appearing as a sub-subsection of 5(4)(b), seems to be in the wrong place. In the subsection relating to purchases and sales, it requires an indication of whether a transaction is a borrowing or lending under a securities borrowing and lending agreement (which in the definition of "relevant contract" are singled out and therefore, we assume, are not regarded as sales and purchases).	Point taken. We have moved it to s.5(4)(c)(ii) accordingly.
25.	5(5)(c)	If the futures contract has been cleared by another person, the contract note shall disclose the name of that person.	[Linklaters] It is unclear what is meant by s.5(5)(c), which is new and not in s.45A of the CTO.	We understand that for the give-up trades effected on the HKFE, the execution brokers may sometimes issue and disclose the name of the clearing broker in the contract notes. If the contract note is issued by the clearing broker, then this requirement will simply not apply.
26.	5(6)	Additional information to be specified in note contract in respect of a leverage foreign exchange contract	[DHB] Average pricing should also be allowed for contract notes in respect of leveraged foreign exchange contracts.	Disagreed. To permit this would require a relaxation of the existing requirement to state the time of order receipt and execution.

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27.			[HKMA] The Rules should clearly indicate whether they are applicable to authorized institutions in respect of leveraged foreign exchange activities, notwithstanding clause 148(5) of the Bill.	This is not necessary as clause 148(5) of the Bill (now s.152(6) of the SFO) restricts application of the Rules to a registered institution's regulated activities for which they are registered. Given that the Rules should always be read in conjunction with the SFO, it is not necessary to reiterate this in the Rules.
28.	5(6)(a)	For a leveraged foreign exchange contract, the contract note shall disclose, where the intermediary is acting as agent, a statement that it is so acting and the name of the person for whom it is acting;	[LSHK, Linklaters] This clause includes provisions set out in s.4(2) of the Leveraged Foreign Exchange Trading (Books, Contract Notes and Conduct of Business) Rules. The commentator wants to clarify that this is only intended to apply where the intermediary is acting as agent for the counterparty to the trade, and not where it is acting as agent for the client.	Yes.
29.	5(7)	For contract note which has included an average price as referred to in subsection (4)(b) or (5)(a) and the client requests an analysis of such average price, the intermediary must provide a detailed analysis of each underlying purchase or sale of securities or futures contracts no later than the end of the second business day after the request is received.	[Linklaters] There should be a time limit of 2 years (in line with retention period of contract notes) within which the client must make such a request. Also if the original contract note has been prepared more than, for example, twelve months previously, a longer period to provide the breakdown should be given (for example, it should be delivered no later than the end of the fifth business day after the request was received).	Point taken. We have revised s.5(8) so that clients can only request for an analysis within 2 years of the date of the relevant contract. Point taken. We have agreed to give more time to intermediaries to deliver the analysis and revised s.5(8) so that delivery is required no later than the end of the 5th business day.

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30.	6	**Consolidation of contract notes with daily statements of account**	[Linklaters] This permits intermediaries that are required to deliver daily statements of account under s.8 and s.9 to provide the contract note information in those statements of account, instead of providing separate contract notes. This clause should also apply to an intermediary that voluntarily sends daily statements of account to the client, as long as the statements incorporate the contract note information required by s.5.	There is no prescribed format for a contract note. As such, provided that such statements include the information specified for contract notes in these Rules, the intermediaries are allowed to issue them for the purposes of these Rules.
31.	8	**Preparation and provision of daily statements of account by intermediaries providing financial accommodation**	[HKAB] This section appears to relate to types of facilities other than margined transactions (which is covered in s.9). Financial institutions offer normal banking facilities, which may be secured by shares, bonds, deposits and other assets. The requirements imposed by this clause would require substantial systems changes by such licensees and we suggest that normal banking facilities given by financial institutions be excluded from this clause.	S.8 or s.9 does not apply to authorized institutions offering normal banking facilities. Please see our response to comment 27.
32.			[Lloyds] S.8(3) then states the situations to which s.8 applies. This would catch, for example, the debiting to the account of periodic management fees so that, as written, a statement would have to be sent to the client even though no financial accommodation was involved. In other words, there is a conflict between the heading wording in s.8 and the provisions of s.8(3).	Point taken. We have revised s.8(1) to make clear that this section only applies to intermediaries offering financial accommodation.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
33.			[DHB] A commentator wants to clarify whether a daily statement of account is required to be issued even when there is no transaction on a particular day. [HKAB] Another commentator has questioned whether "daily" should be included in the title of this section as well as s.9 as neither section's application is necessarily on a daily basis.	Assuming that the question refers to a trade transaction, the answer is yes given that daily statements of account will also need to be issued when there is a deposit or withdrawal of securities by margin clients. Please also see the response below. The word "daily" refers to the period such statements cover. This needs to be retained in the title to distinguish from the statements required to cover transactions over a monthly period though these statements will not be issued everyday.
34.			[LSHK] S.8 contains provisions relating both to - daily statements of account which are required in the case of deposits, withdrawals and other adjustments, and - summary of the terms on which financial accommodation is provided. As a drafting matter, it would be clearer if these two matters were dealt with in separate sections.	Point taken. We have deleted the definition of "statement of account" in s.2 and deleted s.8(2)-(3) and 9(1)-(2). We have incorporated information falling within the remit of statements of account (i.e. the old s.8(3)(b)-(d) and s.9(2)(b)-(c)) into the new s.8(2)(g) and s.9(2)(l). Other information will instead be dealt with in the relevant codes and guidelines of the SFC.
35.			[HKMA] The Rules should clearly indicate whether they are applicable to authorized institutions in respect of provision of financial accommodation, notwithstanding clause 148(5) of the Bill.	Please see our response to comment 27.

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36.	N/A - formerly 8(1)(c)	An intermediary is required to deliver daily statement of account when there is a disposal initiated by an intermediary of any client securities and collateral.	[Linklaters] The reference to "client securities and collateral" in s.8(1)(c) is incorrect as it includes "client securities", which are not provided for the purposes of financial accommodation. This is an extension to the existing s.75A(1)(c) of the SO, which only refers to "securities collateral".	We need to extend this to cover client securities because the Securities and Futures (Client Securities) Rules allow intermediaries to dispose of client securities held in safe custody in settlement of any liability owed provided that there is a client agreement in writing.
37.	N/A – formerly 8(2)	An intermediary must - • prepare a summary of the terms on which financial accommodation is provided to a client; and • deliver such summary of terms and details of any subsequent change in such terms to the client; or any other person designated in writing by the client, no later than the end of the next business day after - (a) entering into the arrangement for the provision of financial accommodation by the intermediary; or (b) any change in the terms on which financial accommodation is provided to the client by the intermediary.	[LSHK, Linklaters] The Consultation Document appears to indicate that only the changes of the terms of financial accommodation need to be notified to the client but this is not how s.8(2)(b) is drafted which appears to require a summary of the terms. The wording should clearly state whether summary of terms or only changes are required. It has been suggested that s.8(2)(b) be redrafted from "deliver such summary of terms and details…" to "deliver such summary of terms or, as the case may be, details…" Also, it is not clear whether the client should be notified of any changes as soon as the intermediary makes the decision to make the changes or when those changes are effective. As contract notes are now required to be delivered within two business days after entering into the relevant contract, we question why the summary and any changes have to be provided within one business day.	This has been superseded by our deletion of s.8(2)-(3). Please see our response to comment 34.
38.			[General comment] Some wanted to know if the client should receive a list of securities collateral both at the outset and upon each subsequent change.	Please see our response to comment 37.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
39	8(2)	The daily statement cum summary of terms must include, among others, the following information, where applicable – • a list of items which the intermediary will accept as securities collateral, together with applicable margin ratios; • the client's credit limit; • the expiry date of the arrangement for the provision of financial accommodation.	[BNP] Securities acceptable by intermediaries as collateral, the applicable margin ratios and credit limit change frequently, depending on the market and value of the securities. The requirement to notify clients in advance of what securities will be acceptable, the applicable margin ratios and credit limit could be misleading to clients and will increase the danger of disputes arising between clients and intermediaries if changes thereto subsequently occurs, which invariably will be the case. Intermediaries must be able to preserve their right to determine and change the acceptable securities and applicable margin ratios upon changing market conditions. Bearing in mind the above-mentioned frequent changes, the requirements for the intermediaries to notify clients whenever there is change to the acceptable securities, their applicable margin ratios or credit limit will cause confusion among clients. Further this will not be practicable and will impose a great deal of administrative and logistic burden on intermediaries. For the expiry date of the arrangement, unless the arrangements are of fixed period, it is not possible to predetermine the expiry date.	Point taken. We have deleted the requirement to disclose the list of items which will be accepted by an intermediary as securities collateral. However, details of the nature, credit limit and expiry date of the accommodation are retained for the daily statements since these requirements are in the existing s.75A of the SO and the industry has not raised any questions to date. Disclosure is required only where applicable.

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40.	9	**Preparation and provision of daily statements of account in relation to margined transactions**	[Linklaters] As the definition of "margined transaction" is extremely broad, this requirement, which is substantially similar to the requirements relating to traditional securities margin financing, may impose a substantial burden on compliance departments. Where transactions are marked-to-market on a daily basis, it appears that a statement of account must also be prepared on a daily basis.	Point taken. We have revised s.9(1) to make it clear that a statement of account is only required for that business day when a margined transaction is entered into to open or close a position.
41.	9(2)	The daily statement in relation to margined transactions must disclose the following particulars of summary of terms, where applicable – • list of items acceptable as security; • client's position or trading limit; • expiry of arrangement • margin call policy	[BNP] The disclosure of the required information of summary of terms is not appropriate in view of - advance notice of credit limit to client is misleading in view of the rapid changing market conditions - increase danger of dispute - adversely affect the intermediary right to determine and change applicable credit limit - notification of change of credit limit may cause confusion to client and impose burden on intermediary - usually the arrangement is not provided for a fixed period, not possible to predetermine expiry date.	Disagreed. Disclosure should not undermine the intermediary's ability to change the terms; this is normally provided for in the client agreement. It should be noted that the Rules only require disclosure where intermediaries set such limits and expiry dates. We have however deleted the requirement to provide a list of security or to disclose the margin call policy given that most brokers and financiers currently do not provide such information in the statements of account.
42.	9(2)	The daily statement in relation to margined transactions must include certain specified information, where applicable.	[HKSbA, HKAB] Commentators want to clarify that items (c), (e) and (f) apply to futures, forex or options transactions. Otherwise, they have concern it is difficult to apply in other cases e.g. securities transactions.	We have not proposed any changes given that the subsection requires disclosure of those items only where they are applicable.

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43.	N/A – formerly 9(5)	This section does not apply to an intermediary licensed or exempt for asset management where the intermediary has agreed with a client of the intermediary not to deliver statements of account as referred to in subsection (3) in respect of the client.	[DHB] In relation to a bank (exempt dealer) which carries on fund management activities and is granted an exemption status to do so, it is suggested that there should be clarification as to exactly what type or nature of asset management activities would be exempted. For example, would a unit trust distribution service be exempted.	This comment has been superseded by our disapplying s.9 in the case of asset managers.
44.			[Linklaters] The requirement on agreement from client in writing is too restrictive, more relaxation is asked for.	Please see our response to comment 43.
45.	11(2)	**Preparation and provision of monthly statements of account** Monthly statement of account must be delivered to the client or any other person designated in writing by the client within 7 days of the end of each calendar month.	Various suggestions on relaxation of 7 days delivery period, such as - [Linklaters] 7 business days (in line with s.75A(4) of SO) - [ISD] 7 working days - [Lloyds] 10 business days [Lippo] A securities dealer voiced the difficulty in compliance with 7 days limit given their full range of financial products over different markets. They need 8-9 days to complete preparation of monthly statement: 2-3 days in retrieval of market price and input to the system, 1 day in computer processing and 5 days of printing of statements.	Point taken. We have revised s.11(2) to refer to 7 business days.

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46.			[Anonymity] Rather than restricting the period to send out monthly statements to 7 days after the end of the month, banks suggested that the 7 day period be applied to the end of the monthly statement cycle. This would allow for a range of cut-off dates for monthly statements which cater to client's preference and/or to avoid operational bottleneck at the end of the month.	Point taken. We have added the new s.11(1) to allow for staggering of month-ends by defining "monthly accounting period" in that subsection.
47.	11(4)(d)	The monthly statement of account must include where applicable certain specified information including what happened to the proceeds of any disposals initiated by the intermediary of any client securities and collateral, held for that account during that month.	[HKSbA] In the situation where a disposal is initiated by the intermediary, the proceeds are meant to be entered into that client's account. It is not clear what it is meant by "including what happened to the proceeds". What are the "details" contemplated and in what manner of description should they appear other than accounting?	Given that this disclosure is already required under s.75A and s.121Z of the SO, and the industry has not raised any questions to date, the meaning of the existing wording should be sufficiently clear. We expect to see credit entries made to the account and/or money payment being made to the client.
48.	11(4)(f)	The monthly statement of account must include the following information, where applicable - • the quantity, market price and market value of each description of – (i) client securities and collateral; or (ii) security provided by or on behalf of the client in relation to a margined transaction, held for that account as at the end of that month;	[Anonymity] Accurate and objective market prices are sometimes difficult to obtain for revaluation purposes. Market prices of some securities such as bonds and equity-linked notes may not be readily available. Reconsideration of this requirement is deemed necessary.	Point taken. We have revised s.11(4)(f) to require disclosure of market price and market value where such price or value is readily ascertainable.

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49.	11(4)(i)	The monthly statement of account must include the following information, where applicable - • all floating profit/ loss calculated at the end of that month and the prices used for such purposes;	[HKAB] A commentator wants to clarify that this applies to outstanding futures contracts only, as it is not market practice to track profit and loss for all types of transactions. [Anonymity] It is also recommended that calculation of floating profits and floating losses on monthly statement of account should not be made mandatory. Otherwise, intermediaries may produce misleading information to clients. For instance, in case of bonds, the use of acquired cost instead of amortized cost can result in significant differences in the calculation of floating profits and floating losses.	We have not proposed any changes since disclosure is required only where it is applicable and floating profits and losses are already defined in s.2 to make it clear that they relate to open positions.
50.	11(5)	An intermediary licensed or exempt for asset management must - • prepare a statement of account in respect of a client of the intermediary …, except in relation to its management of a collective investment scheme authorized by the Commission under section 103 of the Ordinance; and • deliver such statement of account to - (i) the client; or (ii) any other person designated in writing by the client, within 7 days of the end of each calendar month.	Suggestions relating to 7 days delivery period - [JFAM] clarify 7 days means 7 calendar days or 7 business days - [Anonymity] propose 7 business days taking into account of long holidays - [General comment] 15 business days for fund managers managing client portfolio with external custodians, as they might need to wait for information from overseas custodians - [JFAM] For a discretionary fund manager, the timeframe for issuing statements is normally agreed with the client and the nature of information requested by the client could take longer than 7 business days to prepare.	We have allowed more time by revising s.11(5)(d) to require delivery within 10 business days of the month-end and provide for the staggering of month-ends in the new s.11(1).

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51.			[Linklaters, JFAM] The exemption should not be limited to management of HK authorised collective investment schemes. The exclusion should cover discretionary management of any collective investments, including unit trusts and mutual funds (whether authorised or unauthorised), pension and provident funds (consistent with the exclusion in the Code of Conduct for Persons Registered with the SFC).	Point taken. We have revised s.11(5) so that the requirement does not apply to asset management in relation to collective investment schemes.
52.			[JFAM] This clause should refer to 'An intermediary licensed or exempt for asset management or an associated entity of the intermediary'.	Point taken. We have revised s.11(5) accordingly. On a similar point, we have noted that the reference to the associated entity has been omitted from s.3(1) and s.12. This has been added back accordingly. For the avoidance of doubt, we have added the new s.3(4) to clarify the scope of application of these Rules to an associated entity of an intermediary.
53.			[JFAM] The requirement to deliver monthly statements by an intermediary should be consistent with the requirement in the Code of Conduct. After the Code was issued, the SFC agreed with a particular fund house that quarterly statements could be sent to its clients in accordance with the provisions in the Fund Manager Code of Conduct.	Besides the professional investor exemption (please see our response to comment 3), waivers and modifications can be granted upon application under clause 131 of the Bill (now s.134 of the SFO) where the Commission is satisfied that these would not prejudice the interest of the investing public.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
54			[Lloyds] This clause describes statement-issuing requirements for "an intermediary licensed or exempt for asset management". Most intermediaries which are so licensed are also licensed as dealers in securities. As written, this clause will oblige a licensed or exempt asset manager to issue statements, as prescribed, for all its clients including those for which it is acting other than as an asset manager. We do not think that this is intended. We suggest that the wording to the first part of this clause should be amended to: "A licensed or exempt intermediary shall, when acting in its capacity as an asset manager must: - "	We have revised s.11(5) to make clear that this provision is in relation to asset managers in the conduct of asset management.
55	11(6)	The statement of account must include, where applicable, a breakdown of the income credited to and charges levied against that account during that month.	[JFAM] S.11(5)(b) should be amended to 'a breakdown of the income credited to and charges levied by the intermediary against that account during that month'.	It is customary to disclose all charges in the fund accounts, including bank and custodial charges. We have taken the opportunity to revise s.11(6)(c) to require details instead of a breakdown for consistency in the drafting style.
56	N/A – formerly 11(6)	This section does not apply to an intermediary or an associated entity of the intermediary in respect of a client of the intermediary who is a professional investor where the client agrees in writing not to receive such statement of account.	[Linklaters] An intermediary licensed or exempt for asset management is not required to provide a monthly statement if a professional investor agrees in writing not to receive such statements. This is stricter than the current Code of Conduct, which waives the requirement for any intermediary, not just asset managers, to provide professional investors with regular statements of account (except in respect of securities margin financing). It is not necessary under the Code to obtain the consent of the professional investor (except for certain investors to consent to being treated as professionals).	Please see our response to comments 3, 51 and 53.

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			The Consultation Document in paragraph 22 refers to a general relaxation in respect of professional investors, therefore we assume the reference to s.11(4) in s.11(6) (which limits s.11(6) to asset managers) is a drafting error. [General comment] On the other hand, some consider that clients with dormant accounts should be able to opt out by client agreement. [CC] The Consumer Council thinks it would be more important to allow investors, whether retail or professional, to have a choice as to whether or not they prefer to receive a monthly statements of account.	Please see also our response to comments 3 and 15. We do not think it appropriate for non-professional clients to opt out of these Rules as they may be persuaded to waive them without understanding the consequences.
57.			[HKAB, JFAM, DHB] There should be further guidelines as to the definition of "professional investor" or on the criteria for classifying a client as professional or sophisticated investor or how to differentiate such investors from other normal investors. Please clarify whether the definition of "professional investor" same as the one in the Code of Conduct.	Please see our response to comment 3.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
58	12(1)	**<u>Preparation and provision of receipts</u>** Subject to subsection (2), on each occasion that an intermediary or an associated entity of the intermediary receives any - (a) client assets; or (b) security provided in relation to a margined transaction, from or for the account of a client of the intermediary, the intermediary must - (c) prepare a receipt specifying - (i) the account into which - (A) the client assets have been deposited; or (B) a security as referred to in paragraph (b) has been deposited; (ii) particulars of the client assets or security as referred to in paragraph (b); and (iii) the date of receipt; and (d) deliver the receipt to - (i) the client; or (ii) any other person designated in writing by the client, no later than the end of the next business day after the day of receipt of the client assets or security as referred to in paragraph (b).	Comments on receipt (a) [Linklaters] Given exemption allowed in subsection (2), the issue of receipt could still prove burdensome where such transactions are marked-to-market and margin is collected on a daily basis. (b) [Linklaters] Although the Consultation Document indicates that when scrip is deposited directly into CCASS the draft Rules will not apply, this does not appear to be reflected in the draft Rules. (c) [Linklaters] Exemption should be extended to transfer of securities by electronic means (d) Clarification whether receipt is required to be issued where (1) [Linklaters] Securities or money received in the course of normal settlement rather than safe custody (2) [Anonymity] The transaction is shown in daily statement (3) [JFAM] Receipt of cheques for settling outstanding unit trust deals where credit is granted on dealing of unit trusts to clients sometimes (4) [Anonymity] Client's presentation of a bank pay-in slip as evidence of direct payment of money into the intermediary's bank account.	(a) The marking to market would not require the issue of receipts though daily collection of margin would. (b) We have revised s.12(2)(e) to cover the situation where securities in a scripless form are transferred into an account maintained with the custodian of the intermediary or associated entity. (c) This should be addressed by our response to comment (b) above. Re (d) : (1) Not necessary where this has been made clear in the contract note. (2) This is already provided for in s.12(2)(c). (3) If receipt of the money is not acknowledged in the contract note for the purchase of units, a receipt should be issued. (4) This is not necessary, please see s.12(2)(b). On reflection, we have revised s.12(2)(b) so that the carve-out does not apply where the payment is made by the intermediary or the associated entity.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
			(e) [JFAM] Clarify whether the receipt need to be obtained back when clients withdraw their stock [JFAM] Receipt is not required to issue on cash received for settlement of a transaction for which a contract note is issued. However, in this subsection, a contract note is required to contain the date of receipt, which is not normally available for a unit trust transaction.	(e) This is not necessary as the objective is to acknowledge receipt on a given day and not to track subsequent movements of client assets. Clients are expected to review their monthly statements of account which reflect their latest positions. We accept that a contract note needs not contain the date of receipt and have revised s.12(2)(c) accordingly.
59.	13	**Duty to provide copies of certain documents** An intermediary or an associated entity of the intermediary must comply as soon as practicable with a request from a client of the intermediary for a copy of contract note, specified statement of account kept by the intermediary or its associated entity or statement of account as of the date of request in relation to transactions within specified period.	(a) [Linklaters] Even though an intermediary is permitted to charge for providing such copies, it may be administratively onerous to produce statements of account other than at month end. It is questioned whether this requirement is really necessary from the perspective of investor protection. (b) [Anonymity] The rule should specify the maximum time period allowed for the intermediary to prepare and make available any contract note or statement of account for client's inspection. (c) [Anonymity] What is the reason for not requiring a copy of a receipt as referred to in s.12 to be delivered by an intermediary for inspection upon a request from a client?	This requirement is no different from what was required under the existing SO. As intermediaries need only provide daily statements of account over the last 2 years, this is not considered to be too burdensome. We are of the view that "as soon as practicable" is more appropriate than setting an absolute deadline. Point taken. We have revised s.13(1)(d) to require a copy of receipt.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
60.	N/A – formerly 14(1)	**<u>Delivery of documents</u>** Any contract note, statement of account or receipt in accordance with these Rules may be made by – (a) hand; (b) post; (c) facsimile; or (d) other mode of electronic transmission.	[JFAM] Hand delivery should not be an option available to clients because this imposes operational burden on intermediaries.	As s.400 of the SFO already provides that all documents required to be issued or served for the purposes of the SFO including the contract notes, statements of account and receipts required to be issued under these Rules, are regarded as duly served if the requirements of that section are met, we have deleted s.14(1)-(3) of the Rules for being unnecessary. Please see also our response to comment 10.
61.	N/A – formerly 14(2)	Adequate procedures must be adopted by the intermediary and the associated entity referred to in subsection (1) to - (a) identify any non-delivery to a client of the intermediary or, where the client has designated another person for delivery in accordance with these Rules, such other person; and (b) ensure successful delivery by alternative means.	(a) There is concern that this section imposes obligation which is difficult for the intermediary to discharge.	Please see our response to comment 60.
62.	N/A – formerly 14(3)	The intermediary and the associated entity referred to in subsection (1) must accord to a client of the intermediary an adequate opportunity to select his preferred mode of delivery from the options set out in subsection (1) and delivery must take place in accordance with that selection, subject to subsection (2).	[Linklaters] When a client should not be required to receive documents by electronic means without expressly consenting to this mode of delivery, it would be unduly burdensome to have different delivery options for different clients..	Please see our response to comment 60.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
63.			[Anonymity] Clarification is required as to whether an intermediary is in breach of any rule if the intermediary follows the instruction of a client who gives specific written instruction not to deliver any contract, statement of account or receipt to him.	Please see our response to comment 56.
64.	14	**Language of documents** The intermediary and the associated entity referred to in subsection (1) must accord to a client of the intermediary an adequate opportunity to select the official language in which he wishes any contract note, statement of account or receipt to be delivered to him, or to a person designated by him in accordance with these Rules, and such document must be delivered in that language.	Comments on selection of language (a) [BNP] clarify whether "official language" means Chinese or English, a definition should be put in the Rules for clarity. One commentator suggested the term should be defined by reference to its ascribed meaning in the Official Languages Ordinance (Cap. 5). (b) [Anonymity] the intermediary has discretion to provide the languages for the clients to choose	Yes, "official language" means Chinese or English. No clarification is needed as this is made clear in the Interpretation and General Clauses Ordinance (Cap. 1). We have revised s.14 to require documents to be in an official language and deleted the original s.14(4) which gives the client an opportunity to select the official language.
65.			[General comment] Opposition to allow client to choose Chinese language (a) some intermediaries' system cannot support Chinese language (b) the SFC should accept pre-printed standard form with both	Please see our response to comment 64.

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
66.	16	**Reporting of non-compliance with certain rules**	[LSHK] An intermediary should only be required to report "material" breach of non-compliance. Otherwise a large volume of insignificant matters will be notified to the SFC. [Linklaters] Deadline of one business day is too prescriptive. Suggestions on amendment of one business day to (1) [Anonymity] as soon as possible (2) [General comment] 7 business days	Materiality of a breach needs to be assessed in view of all the circumstances and it is not desirable to set a rigid rule in the law. For example, transaction size minimums are difficult to impose as intermediaries come in different shapes and sizes. It is in the interest of client protection to have the regulator informed of a failure to timely and accurately inform clients of the status of their accounts and trades irrespective of the reason of that failure. The Commission needs to know as soon as possible that a breach has happened in order to evaluate the implications. After receiving the notification, the Commission and the firm can confer as to the reasons for the breach as well as a more detailed timetable for a full report.
67.	17	**Penalty** Failure, without reasonable excuse, to comply with any provision of the draft Rules is a criminal offence punishable with a fine of up to HK$25,000.	[Linklaters] While it is important that clients receive prompt and accurate information from intermediaries, the draft Rules are administrative and technical in nature, and most breaches are expected to occur through human error, computer failure, etc. rather than deliberate or reckless misconduct. The SFC will, under the Bill, have extensive disciplinary powers that can be exercised against intermediaries, including the power to fine. It seems unnecessary to provide for non-compliance with the draft Rules to be a criminal offence. While the penalty is simply a fine, nevertheless, having a criminal record may have very serious consequences for an organization or for an individual.	Criminal liability is imposed only when there has been a breach without reasonable excuse or with intent to defraud. Any decision as to the action (if any) to be taken in respect of a breach would be made with regard to all the circumstances including inadvertence or minor nature of the breach. We further note that the penalty provisions are made pursuant to clause 148(3) and (4) of the Bill (now s.152(3) and (4) of the SFO).

Item no.	Section no.	Details of the draft Rules released for public consultation	Respondent's comments	SFC's response
68.	General	Exemption regarding professional clients	[CC] The Consumer Council believes it may not be possible to make a clear distinction between various types of investors. Though some general benchmark, such as the size of their investments and their investment patterns may serve to characterise each class of investors, the distinction is not mutually exclusive: a professional investor could sometimes be a retail investor and vice versa.	This is considered as part of a separate market consultation on the draft Securities and Futures (Professional Investor) Rules.
69.	General	Other suggestions	[ISD] Suggestions - further detailed clarification on Instruction and Requests from clients; - the inclusion of Proforma Statements; and - to consider the replacement of contract note, receipt and statement of account with a Combined Statement with effect from 2003	The Rules now specify that clients' agreement must be obtained in writing wherever appropriate. It is considered more appropriate to specify only the minimum contents (neither the existing SO nor HKEx Rules have ever included any proforma statements). This is already possible, though not made mandatory, under these Rules.

Details of Submissions Received

Date received	Respondent
9 November 2001	BNP Paribus Peregrine (BNP)
15 November 2001	CMG Asia Limited (CMG)
2 November 2001	Consumer Council (CC)
12 November 2001	Dao Heng Bank (DHB)
9 November 2001	Hong Kong Association of Banks (HKAB)
7 November 2001	Hong Kong Monetary Authority (HKMA)
12 November 2001	Hong Kong Society of Accountants (HKSA)
9 November 2001	Hong Kong Stockbrokers Association (HKSbA)
8 November 2001	Institute of Securities Dealers (ISD)
8 November 2001	JF Asset Management (JFAM)
7 November 2001	The Law Society of Hong Kong (LSHK)
14 November 2001	Linklaters and Alliance (Linklaters) representing ▪ Credit Suisse First Boston (Hong Kong) Limited ▪ Goldman Sachs (Asia) L.L.C. ▪ J.P. Morgan ▪ Merrill Lynch (Asia Pacific) Limited ▪ Morgan Stanley Dean Witter Asia Limited ▪ Salomon Smith Barney Hong Kong Limited ▪ UBS Warburg
16 October 2001	Lippo Securities Ltd (Lippo)
9 November 2001	Lloyds TSB (Lloyds)
5 November 2001	(commentator reserved anonymity)
8 November 2001	(commentator reserved anonymity)
9 November 2001	(commentator reserved anonymity)
1 November 2001	(commentator reserved anonymity and contents of submission)
9 November 2001	(commentator reserved anonymity and contents of submission)
12 November 2001	(commentator reserved anonymity and contents of submission)
12 November 2001	(commentator reserved anonymity and contents of submission)
12 November 2001	(commentator reserved anonymity and contents of submission)

Derivation Table of Provisions of the Securities and Futures Bill / Ordinance referred to in the Summary of Comments

Clause/Schedule in the Securities and Futures Bill	Section/Schedule in the Securities and Futures Ordinance
131	134
148(3)	152(3)
148(4)	152(4)
148(5)	152(6)
166	171
386	400
Schedule 1, Part 1	Schedule 1, Part 1
Schedule 6	Schedule 5

Derivation Table of Provisions of the Draft Rules released for Public Consultation and the Draft Rules now being placed before the Subcommittee

Section of the Rules released for public consultation	Heading	Section of the Rules now being placed before the Subcommittee
	PART I – PRELIMINARY	
1	Commencement	1
2	Interpretation	2
3	Application	deleted
	PART II – PREPARATION AND PROVISION OF CONTRACT NOTES, STATEMENTS OF ACCOUNT AND RECEIPTS	
	Division 1 – General rules	
4	Information required in all cases	5(3)(a)-(b), 7, 12(3)(a)-(c)
5	Avoidance of duplication	4(1)
	Division 2 – Contract notes	
6	Preparation and provision of contract notes	
6(1)		5(1)
6(2)		5(2)
6(3)		5(3)
6(4)		5(4) & 5(7)
6(5)		5(5) & 5(7)
6(6)		5(6)
6(7)		5(8)
7	Consolidation of contract notes with daily statements of account	6
	Division 3 – Statements of account	
8	Preparation and provision of daily statements of account by intermediaries providing financial accommodation and their associated entities	
8(1)		8(3)

Derivation Table of Provisions of the Draft Rules released for Public Consultation and the Draft Rules now being placed before the Subcommittee (cont'd)

8(2)		deleted
8(3)		Old 8(3)(b)-(d) incorporated in new 8(2)
8(4)		8(1)
8(5)		8(2)
9	Preparation and provision of daily statements of account by intermediaries in relation to margined transactions	
9(1)		deleted
9(2)		Old 9(2)(b)-(c) incorporated in new 9(2)
9(3)		9(1)
9(4)		9(2)
9(5)		Incorporated in new 3(1)
10	Consolidation of daily statements of account	10
11	Preparation and provision of monthly statements of account	
11(1)		11(2)
11(2)		11(3)
11(3)		11(4)
11(4)		11(5)
11(5)		11(6)
11(6)		Incorporated in new 3(2)
	Division 4 – Receipts	
12	Preparation and provision of receipts	
12(1)		12(1)
12(2)		12(2)
	PART III – MISCELLANEOUS	
13	Duty to provide copies of certain documents	
13(1)		13(1)
13(2)		13(2)
13(3)		13(3)
13(4)		13(4)

Derivation Table of Provisions of the Draft Rules released for Public Consultation and the Draft Rules now being placed before the Subcommittee (cont'd)

14	Delivery and language of documents and retention of copies	
14(1)		deleted
14(2)		deleted
14(3)		deleted
14(4)		14
14(5)		15
15	Reporting of non-compliance with certain rules	16
16	Penalty	17(a)
	New sections in the Rules now placed before the Subcommittee	
	Application of Rules in relation to contract notes required under the Stamp Duty Ordinance, and to an associated entity of an intermediary	3(3)-(4)
	Exemption for intermediaries where a related corporation that is a regulated entity in an approved jurisdiction provides equivalent documents	4(2), schedule 1
	Allowance for the use of different monthly reporting cycles by intermediaries	11(1)
	Addition for penalty for intent to defraud	17(b)

附錄2

以下是《諮詢總結》所提到的《證券及期貨條例草案》與在2002年3月28日在憲報刊登的《證券及期貨條例》兩者之間的條文編號對照表。

《證券及期貨條例草案》的條次／附表	**《證券及期貨條例》的條次／附表**
第148(4)條	第152(4)條
第386條	第400條
附表1第1部	附表1第1部