**Responsible officers**

4.1 No. Only licensed representatives can apply for approval to become responsible officers. However, in practice, a person may apply to be a licensed representative and for approval as responsible officer contemporaneously.

4.2 Yes. In addition, one of them must be an “executive director” as defined under the SFO.

4.3 Yes. In the licensing context, the term “executive director” is defined in section 113 of the SFO as follows:–

“executive director” in relation to a licensed corporation means a director of the corporation who:-

(a) actively participates in; or
(b) is responsible for directly supervising,
the business of a regulated activity for which the
corporation is licensed.

4.4 No. Only executive directors (see 4.3) need to be
licensed as responsible officers. If a director does not
participate or is not involved in the day-to-day
management of the regulated activity, he is unlikely to
be regarded as an executive director for the purposes
of licensing. In general, a director responsible merely
for the compliance, financial control, internal audit,
back-office administration or human resources
functions need not apply for approval as a responsible
officer.

4.5 It is unlikely that he will be required to be approved as a
responsible officer.
4.6 Yes. So long as the executive director is able to satisfactorily discharge his responsibility to supervise the business of regulated activity for which the corporation is licensed. In this regard, factors which the SFC would consider include the frequency of his visit to attend to regulated activities in Hong Kong and the systems of internal controls. In addition, the licensed corporation concerned should have at least one responsible officer who is available at all times to supervise the business of the regulated activity for which the corporation is licensed.

4.7 Yes. He can if there is no concern about his competence or in relation to other matters such as possible conflicts of interest. In most cases where this is relevant, we would expect that the principals to which the individual is accredited would belong to the same group of companies.

4.8 The same individual can be approved as a responsible officer for one or more regulated activities so long as he can satisfy the SFC that he is fit and proper to be so approved and that there is no conflict of interest for him
to carry out the regulated activities concerned at the same time.

4.9 The individual will be subject to the same assessment criteria as that of a director, i.e. having satisfied the relevant experience and examination requirements (see Guidelines on Competence). In addition, he must have sufficient authority within the licensed corporation to carry out his supervisory functions.

4.10 Yes, so long as the responsible officer(s) can be contacted (preferably by telephone) whenever necessary and proper internal controls are in place. However, this should be regarded as an interim measure only and the out of town period of both responsible officers should be reasonable for the proper discharge of their duties.
4.11 An employer-employee relationship is not a prerequisite for the approval of a responsible officer. However, that individual must act on behalf of or have an arrangement with the licensed corporation for carrying out the regulated activity. He must also have sufficient authority to carry out his supervisory functions within the licensed corporation.

4.12 If you cease to act as a responsible officer but remain a licensed representative of your accredited principal for carrying on the same type of regulated activity, a notification (Form 5) has to be submitted to the SFC within 7 business days from the date of such cessation.

You and your accredited principal should fill in sections 1, 4 (both Part A and Part B) and 18 (both Part A and Part B) of Form 5. Please make sure that sections 4.3 and 4.6 are ticked “no” to indicate that you will remain a licensed representative of your accredited principal.

In light of the change in your licensed role, your original licence and a cheque in the sum of HK$200 for issuance of a new licence should also be submitted together with Form 5. We are unable to process your request if any of the above three items is missing and the documents submitted will be returned to you.
In due course, the SFC will issue a new licence to you showing your new role as a licensed representative. The effective date of your new role will be the date on which we withdraw our approval of your Responsible Officer status.