

List of information/documents to be prepared for application to the SFC

1. In relation to the corporate applicant:-

(a) Corporate information (*form 1*)

- name (also Chinese name, if any);
- address;
- business registration certificate number (for HK companies);
- former name, if applicable;
- place of incorporation;
- date of incorporation;
- financial year end; and
- auditor and appointment date.

(b) Contact information (*form 1 and supplement 1*)

- address of office premises;
- whether the address is the principal place of business, registered office, for correspondence or record keeping;
- email and website addresses;
- details of business records kept at the premises used for keeping records (e.g. all business record including client agreements, trade related documents, investment recommendations, accounting records and compliance related documents); and
- whether it is wholly or partly used for residential purpose.

(c) Share capital (*form 1*)

- class of shares (ordinary, preference or others);
- issued share capital;
- par value*;
- number of authorised shares*;
- authorised share capital*;
- premium paid*;
- paid-up share capital; and
- whether shares issued for consideration other than cash.

**only applicable to a corporation incorporated outside Hong Kong*

(d) Corporate and shareholder structure (*form 1*)

- a tree diagram depicting the group structure, % of shareholdings of each group member, principal business activities of each group member, and licence/registration status for regulated activities (both in HK and elsewhere) of each group member.

(e) Executive directors and non-executive directors (*form 1*)

- name (also Chinese name, if any);
- whether also a responsible officer (**please note that at least one of the responsible officers must be an executive director*);
- whether a licensed representative/corporation/registered institution, approved substantial shareholder of a licensed corporation, a substantial shareholder of a registered institution;

(f) Complaints officer (*form 1*)

- name (also Chinese name, if any);

- passport number;
- job title; and
- tel no. , fax no., correspondence address and email address.

(g) Emergency contact person (*form 1*)

- name (also Chinese name, if any);
- passport number;
- job title; and
- tel no. (office and residential), fax no.(office and residential), correspondence address and email address (office and private).

(h) Subsidiaries (*form 1*)

- name (also Chinese name, if any); and
- CE number, if any.

(i) Bank account (*supplement 6*)

- name of bank;
- account no;
- date opened;
- currency;
- type of account; and
- whether a segregated trust account.

(j) Financial Resources (*supplement 7*)

- whether the applicant will receive or hold client assets;
- paid-up capital;
- required liquid capital;
- total liquid assets;
- total ranking liabilities;
- liquid capital (total liquid assets minus total ranking liabilities);
- excess/deficiency in liquid capital (liquid capital minus required liquid capital); and
- information from balance sheet. Including fixed assets, other assets, current assets (cash deposits in banks, investment in listed securities, receivables), current liabilities (bank overdraft/loans, other current liabilities), long term liabilities, share capital, share premium, other reserves, retained profits/losses.

(k) Charges, pledges, liens or encumbrances (*form 1*)

- whether assets subject to any charge (including pledge, lien or encumbrances);
- date of the charge;
- description of the assets; and
- amount secured.

(l) Business plan and proposed business activities (*supplement 8*)

- indicate types of target customers (HK retail clients, HK high net worth clients, HK institutional clients, overseas retail clients, overseas high net worth clients, overseas institutional clients, others) and expected % of contribution to gross operating income;
- state sources for new customers (introduction/referral or walk in customers, or others);
- prepare as an attachment an operational manual which includes, among others, organisational charts with key human resources and their reporting lines; operational

flowcharts describing your principal business operations, inherent risks to the principal regulated business activities (such as market risk, credit risk, liquidity and operational risk) and risk control strategy; potential areas of conflict of interests, and measures to address the conflict; procedures to achieve segregation of duties; contingency plan *(it is easier for you to provide us with your own operational manual and we adopt it into HK law)*.

- prepare a copy of a standard client agreement *(it is easier for you to provide us with your own standard client agreement and we adopt it into HK law)*;
- information on the telephone recording system, including name of system, scope of conversations to be recorded (between account executives and clients; between account executives and dealers); tape retention period; person monitoring irregularities (compliance staff; internal audit staff; responsible officer); method of data retrieval (by time, by channel, others); and
- state places where client assets are held (if applicable) (accounts maintained with the Central Clearing and Settlement System; authorised financial institutions; licensed intermediaries in HK, overseas licensed or authorised intermediaries; associated entity; independent custodian, others).

(m) Business history *(form 1)*

- nature of business;
- date of commencement of business;
- date of termination of business (if applicable); and
- reason for termination of business (if applicable).

(n) Licence record *(form 1 and supplement 9)*

- whether licensed by or registered with the SFC and/or any regulatory body in HK or elsewhere; and
- whether applying for a trading right of any stock or futures exchange in HK or elsewhere.

(o) Disciplinary actions and investigations, financial status and character
(form 1)

- for details, please refer to page 11 of form 1.

2. In relation to responsible officers/licensed representatives:-

(form 1, form 3, form 4, form 5 and supplement 10)

(if he is already a licensed representative, form 4 and 5 are required instead of form 3)

- name (also Chinese name, if any);
- whether also an executive director *(*please note that at least one of the responsible officers must be an executive director)*;
- regulated activities to be supervised;
- CE number (if any);
- qualification, course/examination name (e.g. HK licensing examination), name of institution, paper number/series, date awarded/passed/completed);
- proposed duties;
- description and length of relevant experience;
- proposed date of accreditation;
- employment history for the past 5 years (for new application of licensed representatives);
- any disciplinary actions and remedial actions taken;

- copies of resume;
- copies of relevant certificates, transcripts and reference letters; and
- declare that the board of directors have passed a board resolution appointment the applicant to be the director and responsible officer to supervise the regulated activities for which he will be responsible (where the applicant is a director); or responsible officer and granting him sufficient authority to supervise the regulated activities for which he will be responsible (where the applicant is not a director).

3. In relation to corporate substantial shareholder (form 1 and supplement 2):-

- name (also Chinese name, if any);
- place of incorporation;
- nature of business;
- business address;
- tel no, fax no, email and website addresses;
- financial information including class of shares, par value, number of authorised shares, authorised share capital, issued share capital, premium paid, paid-up share capital, number of substantial shareholder and % of shareholding;
- whether a licensed representative/corporation/registered institution, approved substantial shareholder of a licensed corporation, a substantial shareholder of a registered institution;
- name of directors, and whether they are licensed representative/corporation/registered institution, approved substantial shareholder of a licensed corporation, a substantial shareholder of a registered institution;
- disclosure of relevant disciplinary actions and investigations, financial status, character (for details, please refer to page 3 to 4 of supplement 2); and
- whether ever been licensed by or registered with the SFC and/or any regulatory body in HK or elsewhere and if yes, details of the licence/registration (including name and place of regulatory authority, type of licence/registration, date of approval, licence or registration no, conditions attached to the licence or registration (if any), whether the licence or registration still valid, date of expiry (if applicable)).

4. In relation to corporate director (form 1 and supplement 4):-

- name (also Chinese name, if any);
- place of incorporation;
- nature of business;
- business address;
- tel no, fax no, email and website addresses;
- whether ever been licensed by or registered with the SFC and/or any regulatory body in HK or elsewhere and if yes, details of the licence/registration (including name and place of regulatory authority, type of licence/registration, date of approval, licence or registration no, conditions attached to the licence or registration (if any), whether the licence or registration still valid, date of expiry (if applicable));
- whether it is licensed representative/corporation/registered institution, approved substantial shareholder of a licensed corporation, a substantial shareholder of a registered institution; and
- name of substantial shareholders and whether they are licensed representative/corporation/registered institution, approved substantial shareholder of a licensed corporation, a substantial shareholder of a registered institution.

5. In relation to individual substantial shareholder/individual director (form 1 and supplement 3)

- name (also Chinese name, Chinese commercial code, aliases, if any);

- gender;
- date of birth;
- place of birth;
- nationality;
- HK identity card number/passport number and date of expiry and passport issuing country;
- residential address, correspondence, business and email addresses, telephone and fax numbers;
- disciplinary actions and investigations, financial status, character, mental health (please refer to pages 3 to 4 of supplement 3);
- whether ever been licensed by or registered with the SFC and/or any regulatory body in HK or elsewhere and if yes, details of the licence/registration (including name and place of regulatory authority, type of licence/registration, date of approval, licence or registration no, conditions attached to the licence or registration (if any), whether the licence or registration still valid, date of expiry (if applicable));
- employment record of the past 5 years, including name of employer, nature of business, capacity employed, period of service, reason for leaving;
- highest academic or vocational qualification, including qualification obtained, name of institution and year awarded;
- professional qualification, including qualification obtained, name of institution and year awarded; and
- a copy of the HKID card/passport.

6. In relation to associated entities (form 1 and supplement 5):-

- name (also Chinese name, if any);
- address;
- business name (if applicable);
- place of incorporation;
- date of incorporation;
- principal place of business in HK;
- tel no, fax no, email address, website address, effective date; and
- details of executive officer (including name in English and Chinese (if any), HKID card no./passport no. (date of expiry and issuing country).