

**Securities and Futures Bill
Part IX**

Comparison Table

Legend:

- CTO - Commodities Trading Ordinance (Cap. 250)
 LFETO - Leveraged Foreign Exchange Trading Ordinance (Cap. 451)
 SO - Securities Ordinance (Cap. 333)
 SFCO - Securities and Futures Commission Ordinance (Cap. 24)

Clause	Contents	Derivation	Notes
	<i>Division 1 – Interpretation</i>		
186	Interpretation of Part IX	ss 56(2)(c) & (5), 121S(5) & 121U(5) SO, ss 36(2)(c) & (5) CTO & ss 12(4)(c) & (7) LFETO	Clause 186(1) essentially re-enacts the existing definition of “misconduct”; the definition of “register of companies” is new to avoid doubt. Clause 186(2) creates a standard for the attribution of a corporation’s misconduct to the corporation’s management and is based on cl 56(2)(c) SO, 36(2)(c) CTO and 12(4)(c) LFETO but clarifies the standard of attribution as neglect, consent or connivance.
	<i>Division 2 – Discipline, etc.</i>		
187	Disciplinary action in respect of licensed persons, etc.	ss 56(1) & (2), 121S(1) & (3), 121U(1) & (3) & 121V(1) & (3) SO, s 36(1) & (2) CTO & s 12(1) & (4) LFETO	Clause 187(1) largely re-enacts existing grounds for disciplinary proceedings and existing sanctions. However, cl 187(1)(i)(A) & (B) are new insofar as they allow for partial revocation and suspension, and cl 187(1)(ii) and (iv) are new. Clauses 187(2) & (4)-(8) which provide for fines are new. Clause 187(3) makes express existing law. The clause 197(9) definitions are new.
188	Other circumstances for disciplinary actions in respect of licensed persons, etc.	ss 55(1) & (3), 121R(1), (2), (4) & (5) 121T(1), (2), (4) & (5) SO, ss 35(1)-(3) CTO & ss 11(1)-(3) LFETO	Clauses 188(1) and (3) largely re-enact existing law with some minor modifications. Clauses 188(2) and (7) are new. Clauses 188(4) and (5) elaborate on s 11(2)(b) LFETO.

Clause	Contents	Derivation	Notes
189	Procedural requirements in respect of exercise of powers under section 187 or 188	ss 55(2B), 56(3), 57(4), 121R(3), 121S(4), 121T(3), 121U(4), 121V(4), & 121W SO, ss 35(4) & (5), 36(3) & (4) & ss 11(3) & 12(5) & (6) LFETO	Clause 189(1) & (2) largely re-enact existing law, but cl (2)(d) and (e) are new.
190	Disciplinary action in respect of exempt persons	ss 60(5) & 61(2) SO	Clause 190 elaborates on the existing provisions.
191	Procedural requirements in respect of exercise of powers under section 190	New	New
	<i>Division 3 – Miscellaneous</i>		
192	Effect of suspension under Part IX	New	New
193	General provisions relating to exercise of powers under Part IX	s 23(4) SFCO, ss 57(2) & 121Y(1) SO, s 37(2) CTO & s 11(5) LFETO	Clause 193(1) is adapted from s 23(4) SFCO. Clause 193(2) re-enacts existing law. Clauses 193(3) & (4) are new. Clause 193(5) expands on s 12(8) LFETO.
194	Requirement to transfer records upon revocation or suspension of licence or exemption	New	New
195	Permission to carry on business operations upon revocation or suspension of licence or exemption	s 121X SO	Clause 195 models and expands on the effect of s 121X SO.