

Supplementary Note to
Annex 2 to Paper No. CSA04/01
dated 17 November 2001

SCHEDULE 6 [ss. 114, 117, 136 & 139
& Schs. 1 & 9]

REGULATED ACTIVITIES

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PART 2

In this Schedule -

"advising on corporate finance" (就機構融資提供意見) means giving
advice -

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(c) to a listed corporation or public company or a
subsidiary of the corporation or company, or to its
officers or shareholders, concerning corporate
restructuring ~~involving~~ in respect of¹ securities

¹ Members considered Annex 2 to Paper CSA04/01 on 4 December 2001. We propose this further technical amendment to reflect more clearly the policy intention that only the specific part of the corporate restructuring activities concerning securities falls within the definition of "advising on corporate finance", instead of the whole corporate restructuring exercise where securities are involved. This seeks to restrict the scope of activities that fall under the licensing regime to what is necessary.

(including the issue, cancellation or variation of
any rights attaching to any securities),
but does not include such advice given by -

* * * * *

(vi) ²~~a~~-counsel who gives such advice wholly incidental
to his practice as such;

* * * * *

² **Minor technical drafting amendment.**

"advising on futures contracts" (就期貨合約提供意見) means -

* * * * *

otherwise than by -

——(vi)—²a—counsel who gives such advice, or issues such analyses or reports as part of an advice given, wholly incidental to his practice as a counsel;

* * * * *

"advising on securities" (就證券提供意見) means -

* * * * *

otherwise than by -

(vi) ²a—counsel who gives such advice, or issues such analyses or reports as part of an advice given, wholly incidental to his practice as a counsel;

* * * * *

"asset management" (資產管理), in relation to a person, means providing a service of managing a portfolio of securities or

futures contracts for another person by the person, otherwise
than by -

* * * * *

(f) ²a—counsel who provides such service wholly
incidental to his practice as such;

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Financial Services Bureau
Securities and Futures Commission
31 December 2001