

L. N. 16 of 2002

Leveraged Foreign Exchange Trading (Annual Returns) (Amendment) Rules 2002

(Made by the Securities and Futures Commission under sections 45 and 73 of the Leveraged Foreign Exchange Trading Ordinance (Cap. 451))

1. Commencement

These Rules shall come into operation on 15 March 2002.

2. Section substituted

Section 2 of the Leveraged Foreign Exchange Trading (Annual Returns) Rules (Cap. 451 sub. leg.) is repealed and the following substituted---

"2. Licence holders to make annual returns

(1) Subject to subsection (2), every person licensed as a leveraged foreign exchange trader or a representative (both are referred to as "licence holder") under the Ordinance shall make an annual return to the Commission---

(a) to be received by the Commission on or before each successive anniversary of the date on which he was granted a licence under the Ordinance; and

(b) in the form and containing the particulars specified in the Schedule.

(2) A licence holder or a person acting on his behalf may, with the prior consent of the Commission, give notice in a form approved by it in lieu of an annual return in the specified form, stating---

(a) any particulars required to be reported to the Commission as a result of any amendment to the Schedule since the date of the last annual return made by that licence holder; and

(b) that the following particulars remain correct---

(i) the particulars contained in the last annual return made by that licence holder; and

(ii) the particulars reported under paragraph (a).

(3) Every person who makes an annual return under subsection (1) or gives notice under subsection (2) shall provide to the best of his ability accurate and complete information in the return or notice, as the case may be."

3. Schedule amended

The Schedule is amended---

(a) in Part B, by adding---

"Continuous Professional Training ("CPT")

27. State whether the licence holder has implemented a training programme to meet the training needs of its

N/A N/A

licensed representatives (including responsible directors).

28. State whether the licence holder has evaluated its training programme at least once during the last calendar year. N/A N/A

29. State whether all of the licensed representatives of the licence holder have attained the required number of CPT hours during the last calendar year. N/A N/A

30. State whether the licence holder has maintained sufficient records as evidence of its training programme and the CPT activities undertaken by its licensed representatives. N/A N/A "

Note: The licence holder may be requested to produce the records for inspection.

(b) in Part C, by adding---

"Continuous Professional Training ("CPT")

23. State whether you have attained the required number of CPT hours during the last calendar year. N/A N/A

24. State whether you have retained sufficient records of all your CPT activities undertaken during the last calendar year. N/A N/A "

Note: You may be requested to produce the records for inspection.

Andrew Len Tao SHENG

Chairman,

Securities and Futures Commission

30 January 2002

Explanatory Note

Section 2 of the Leveraged Foreign Exchange Trading (Annual Returns) Rules (Cap. 451 sub. leg.) ("the Rules") requires a licensed leveraged foreign exchange trader and its licensed representatives (both are referred to as "licence holder") to make

annual returns to the Securities and Futures Commission ("the Commission") in the form and containing the particulars specified in the Schedule to the Rules or, in certain situations, in the form of a notice approved by the Commission.

2. Section 2 of the Rules is amended by extending the situations in which notice may be given in lieu of an annual return in the specified form. The Schedule is also amended by including new reporting requirements relating to licence holders' continuous professional training obligations.