

SECURITIES AND FUTURES (AMENDMENT) BILL 2005

COMMITTEE STAGE

Amendments to be moved by the Secretary for Financial Services
and the Treasury

Clause

Amendment Proposed

New

By adding -

"1A. Directions to Commission

Section 11(1) of the Securities and Futures Ordinance (Cap. 571) is amended by repealing "chairman" and substituting "chief executive officer".

1B. Accounts and annual report

Section 15(2)(b) is amended by repealing ", and one non-executive director," and substituting "and the chief executive officer".

1C. Accounts of compensation fund

Section 240(4) is amended by repealing "at least one non-executive director" and substituting "the chief executive officer".

2

By deleting the clause and substituting -

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"2. Interpretation and general provisions

Section 1 of Part 1 of Schedule 1 is amended -

- (a) in the definition of "executive director", by repealing everything after "means" and substituting "the chief executive officer of the Commission or any other person who is appointed as an executive director of the Commission under section 1 of Part 1 of Schedule 2 to this Ordinance (whether or not acting in any other capacity under that Part);";
- (b) in the definition of "member", by repealing everything after "means" and substituting -

"-

- (a) the chairman of the Commission; or
- (b) the chief executive officer or any other executive director or non-executive director of the Commission (whether or not

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acting in any other capacity under Part 1 of Schedule 2 to this Ordinance);”;

(c) in the definition of “non-executive director”, by adding “(whether or not acting in any other capacity under that Part)” before the semicolon.”.

3

(a) By adding before paragraph (a) -

“(aa) in the heading immediately before section 1, by adding “, **chief executive officer**” after “**Chairman**”;

(ab) in section 1, by repealing “and such number of” and substituting “, a chief executive officer and such number of other”;

(b) By deleting paragraphs (c), (e) and (f).

(c) In paragraph (i) -

(i) in the Chinese text, in the proposed section 9 of Part 1 of Schedule 2, by deleting “須就所有目的而言” and substituting “就所有目的而言，須”;

(ii) by adding -

“9A. Notwithstanding section 9 -

(a) an executive director of

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the Commission shall not
cease to be regarded as
such only because of his
acting as chairman of
the Commission; and

(b) a non-executive director
of the Commission shall
not cease to be regarded
as such only because of
his acting as chairman
of the Commission.

**Vacancy in office of chief
executive officer**

9B. The Chief Executive may designate
an executive director of the Commission
to act as chief executive officer of
the Commission for any period during
which the chief executive officer of
the Commission is unable to act as
chief executive officer due to illness,
absence from Hong Kong or any other
cause, and may at any time revoke any
such designation.

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9C. An executive director of the Commission who acts as chief executive officer of the Commission shall be deemed for all purposes to be the chief executive officer of the Commission."

(d) In paragraph (k), by deleting "9A." and substituting "9D."

(e) By adding -

"(oa) in section 14, by repealing "or the deputy chairman" and substituting ", deputy chairman, chief executive officer";

(ob) by adding -

"16A. For the purpose of forming a quorum under section 16 -

- (a) subject to paragraph (b), the chairman of the Commission shall be counted as a non-executive director of the Commission; and
- (b) notwithstanding sections 9 and 9A -
 - (i) an executive director of the Commission who acts as chairman of the

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Commission shall only be counted as an executive director of the Commission; and

(ii) a non-executive director of the Commission who acts as chairman of the

Commission shall only be counted as a non-executive director of the Commission.";"

(f) By deleting paragraph (p) and substituting -

"(p) in section 27, by adding -

"(aa) the chief executive officer of the Commission;";"

(g) By adding -

"(q) in section 28(a), by repealing "or";

(r) in section 28, by adding -

"(aa) the chief executive officer of the Commission; or"."

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