

Levels of penalty under the Merger Bill and the other Ordinances

Ordinance	Offence	Penalty
<p>Exchanges and Clearing Houses (Merger) Bill</p> <p>S.3(4)</p> <p>S.3(10)</p> <p>S.4(6)</p> <p>S.6(3)</p> <p>S.7(3)</p> <p>S.14(3)</p>	<p>Acting as an exchange controller without being so recognised by the Commission or contravening the conditions for the recognition of exchange controller</p> <p>Contravening the notice served to cause a person to cease to be an exchange controller</p> <p>Contravening a notice served to withdraw the recognition of exchange controller</p> <p>A person becomes a minority controller of a recognized exchange controller, an exchange company or clearing house without approval or increases his/her interests as a minority controller without approval.</p> <p>Failing to comply with the conditions specified in a notice for the exemption or revoking the exemption from clause 3 concerning the recognition of exchange controller.</p> <p>Contravening a notice served by the Commission to give directions to a recognised exchange controller where conflict of interests arises</p>	<p>On conviction upon indictment to a fine of \$1,000,000 and, in the case of an individual, to imprisonment for 2 years;</p> <p>On summary conviction to a fine at level 6 and, in case of an individual, to imprisonment for 6 months.</p>
Banking Ordinance		

<p>(Cap. 155)</p> <p>S.70(18)</p> <p>S.70(21)</p> <p>S.70C(4)</p> <p>S.70D(2)</p>	<p>Acting as minority shareholders of an authorised institution without consent.</p> <p>Contravention of conditions of consent to acting as minority shareholders of an authorised institution.</p> <p>Prohibited persons continue to act as indirect controllers of an AI</p> <p>Issue of shares in contravention of restrictions imposed by the authority</p>	<p>On conviction upon indictment: a fine of \$1 M and 5 years' imprisonment</p> <p>On summary conviction: a fine of \$ 0.1 M and 6 months' imprisonment</p> <p>On conviction upon indictment: a fine of 0.4 M and 2 years' imprisonment</p> <p>On summary conviction: a fine of \$ 0.1M and 6 months' imprisonment</p> <p>Daily fine of \$ 10,000 for continuous offence</p> <p>On conviction upon indictment : a fine of \$1M and 5 years' imprisonment</p> <p>On summary conviction: a fine of 0.1 M and 6 months' imprisonment.</p> <p>Daily fine of 10,000 for continuous offence.</p> <p>On conviction upon indictment: a fine of \$ 0.4 M and 2year's imprisonment</p> <p>On summary conviction: a fine of 0.1 M and 6 months' imprisonment.</p>
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Insurance Ordinance (Cap.41)		
S.13A(10)	Unauthorised appointment of controller of authorised issuer, etc.	A fine of \$0.2M and in the case of an individual, to imprisonment for 2 years , together with a daily fine of \$2,000 for continuous offence
S.13B(9)	A person becomes a controller of an authorised issuer incorporated in Hong Kong without satisfying the relevant conditions	A fine of \$0.2M and, in the case of an individual, to imprisonment for two years.
Telecommunication Ordinance (Cap. 106)		
S.13J (3)	Exercising the rights of 15% or more of shares of licensee without consent of the relevant authority	A fine of \$0.1M
S. 13K(5)	Non compliance with notice served on a person with respect to transfer or disposal of shares.	A fine of \$ 0.1 M and for every day during which such offence continues after conviction to a fine of \$2,000.