

LN091-E

Securities (Securities Margin Financiers and Representatives) Rules
(Made by the Securities and Futures Commission under section
146 of the Securities Ordinance (Cap. 333))

1. Commencement

These Rules shall come into operation on 12 June 2000.

2. Interpretation

In these Rules, unless the context otherwise requires---

"application" (申請) means an application under Part XA of the Ordinance;

"form" (表格) means a form prescribed in the Schedule.

3. General requirements for documents lodged with the Commission

Unless the Commission otherwise directs, every application or statement lodged with the Commission for the purposes of Part XA of the Ordinance shall be in the appropriate form.

4. Directions in forms

A form shall be completed in accordance with any directions specified in the form.

5. Application for registration

(1) An application for---

(a) registration as a securities margin financier or a securities margin financier's representative under section 121F of the Ordinance; or

(b) approval under section 121I of the Ordinance,

shall be lodged in the office of the Commission.

(2) Subject to subsection (3), an application for registration as a securities margin financier shall be in Form 1S and be accompanied by a statement of personal information in Form 2S completed by each director and substantial shareholder of the financier.

(3) Where the Commission is satisfied that an applicant has substantial practical difficulties in complying with the requirement under subsection (2), it may in its discretion dispense with the requirement in that applicant's case to such extent as it considers necessary.

(4) An application for registration as a securities margin financier's representative shall be in Form 3R.

(5) An application for approval as an approved director under section 121I of the Ordinance shall be in Form 3S.

6. Particulars to be entered in Register
of Securities Margin Financiers

For the purpose of section 1210(2)(e) of the Ordinance, the particulars to be

entered in the Register of Securities Margin Financiers are---

- (a) registration number as a securities margin financier;
- (b) the date of incorporation of a securities margin financier;
- (c) the addresses of all offices in Hong Kong at which a securities margin financier carries on a business of securities margin financing, and the telephone numbers at those offices;
- (d) the names and registration numbers of all the securities margin financier's representatives who act for a securities margin financier; and
- (e) if a securities margin financier is an exchange participant/ member of a stock exchange, the name of the exchange.

7. Particulars to be entered in Register of Securities Margin Financiers' Representatives

For the purpose of section 1210(3)(d) of the Ordinance, the particulars to be entered in the Register of Securities Margin Financiers' Representatives are---

- (a) the registration number as a securities margin financier's representative and, if he is also registered as a dealer, investment adviser, dealer's representative or investment representative, his registration number for each of these registrations;
- (b) the name of the registered financier for whom the representative acts; and
- (c) the telephone number at the principal place of business of the registered financier for whom the representative acts.

8. Amendment of Registers

Where, pursuant to section 121Q of the Ordinance, the Commission is notified of any change in the particulars relating to a registered financier or a registered financier's representative, it shall make such amendments in the Register and in any other records kept by it under the Ordinance as it considers necessary to record the change.

9. Inspection of Registers

(1) Any person may attend at the office of the Commission at any time between 9:30 a.m. and 12:30 p.m. or 2:30 p.m. and 4:30 p.m. on a weekday or 9:30 a.m. and 12:30 p.m. on a Saturday (not being a public holiday in either case), and inspect any Register kept under section 1210 of the Ordinance.

(2) Subsection (1) does not entitle a person to inspect any certificate or statement accompanying an application for registration.

10. Correction of errors

Where an error exists in a register kept under section 1210 of the Ordinance, or in a certificate of registration, or in any other document issued under the Ordinance, by reason of an error or omission on the part of the Commission or its

staff, or by reason of erroneous information having been supplied in any application form or other document lodged with the Commission under these Rules, the Commission may correct the error and for that purpose may require any person whom it reasonably believes to be in possession of any such certificate or document to produce such certificate or document to it for correction.

11. Duplicate certificate of registration

(1) Subject to subsection (2), any person registered under the Ordinance whose certificate of registration has been lost or destroyed may apply to the Commission in writing to obtain a duplicate certificate of registration.

(2) The Commission may, before issuing a duplicate certificate of registration applied for under subsection (1), require the applicant to produce such evidence as it thinks fit of the loss or destruction of the certificate concerned.

SCHEDULE [s. 2]

FORM 1S

SECURITIES ORDINANCE

(Chapter 333)

SECURITIES (SECURITIES MARGIN FINANCIERS

AND REPRESENTATIVES) RULES

APPLICATION FOR REGISTRATION AS A SECURITIES

MARGIN FINANCIER

IMPORTANT --- If you are in doubt as to how to complete this application, you should consult your solicitor or other professional adviser.

WARNING --- Section 121F of the Securities Ordinance makes it an offence for a person who makes a false or misleading representation in relation to an application for registration under Part XA of the Ordinance. A person who commits the offence is liable on conviction on indictment to a maximum fine of \$1,000,000 and to imprisonment for 5 years, or on summary conviction to a maximum fine at level 6 and to imprisonment for 6 months.

ALL APPLICANTS should complete this form, and each director and substantial shareholder of the applicant who is a natural person should complete a Form 2S (only one form per person).

NOTES:

1. If there is insufficient space to complete your answer to any question, please continue on a separate sheet, specify the question to which the sheet relates and add your signature.
2. Any changes in the given information prior to the approval of this application should be notified immediately to the Securities and Futures Commission.
3. In this form, unless the context otherwise requires, "business" (業務) means the

business to which this application relates.

4. * means delete whichever is inappropriate.

5. All surnames of individuals must be underlined.

6. All questions must be answered, if any question is not applicable, please write "N.A.".

7. Applicant must provide supporting documents as listed in the Checklist for Company Application accompanying this form.

1. Applicant's full registered name in English and, if applicable, in Chinese, and any former names of the applicant:

2. (a) Date and place of incorporation of the applicant:

(b) If the applicant is incorporated outside Hong Kong, has it registered with the Registrar of Companies in Hong Kong?

Yes/No*

(c) If yes, give date and number of registration:

3. Addresses of the applicant's registered office and the principal place of business:

(a) in English

(b) in Chinese

4. The applicant's correspondence address (if different):

5. The address at which the applicant will conduct business (including branch offices in and outside Hong Kong):

(a)

(b)

(c)

6. The applicant's telephone and, if appropriate, facsimile number:

7. (a) Address of all premises at which any record or other document relating to the business is kept:

(b) Are these premises used partly or wholly for residential purposes?

Yes/No*

(c) If yes, give details:

8. (a) Does the applicant currently conduct a business as a securities margin financier?

Yes/No*

(b) If yes, give date such business commenced and state whether such business is/has been conducted outside Hong Kong:

9. (a) Has the applicant carried on any business other than a business as a securities margin financier in the past 5 years?

Yes/No*

(b) If yes, give the following details of each of such businesses:

1 2 3

(i) Name of business

(ii) Address (Post Office

Box numbers are
not acceptable)

(iii) Nature of business

(iv) Date of commencement

(v) Date of termination

(if applicable)

(c) Does the applicant intend to continue such business if this application is successful?

Yes/No*

10. Give the following details of each existing director of the applicant:

1 2 3

(a) Name in English

(including any
aliases)

(b) Name in Chinese

and code number
(if applicable)

(c) Hong Kong identity

card number or
passport number
(if applicable)

(d) Residential address

and telephone number
or, in the case of a
corporate director,
address and telephone
number at its registered
office or principal place
of business

(e) Nationality or, in the

case of a corporation,
its place of incorporation

(f) Date of appointment

- (g) Occupation or, if more than one, the principal occupation
- (h) Will participate actively in the business of the securities margin financier?
(Yes/No)
- (i) Will be responsible for the supervision of the securities margin financier's business?
(Yes/No)

11. Give the following details of each past director who has held office as a director of the applicant during the period of 5 years preceding the date of this application:

1 2 3

- (a) Name in English (including any aliases)
- (b) Name in Chinese
(if applicable)
- (c) Hong Kong identity card number or passport number
(if applicable)
- (d) Residential address or, in the case of a corporate director, address of its registered office or principal place of business
- (e) Nationality or, in the case of a corporation, its place of incorporation
- (f) Period of service as a director (with dates)

12. Give the following details of each proposed or registered representative of the applicant:

1 2 3

- (a) Name in English
(including any aliases)
- (b) Name in Chinese and code

- number (if applicable)
- (c) Hong Kong identity card
number or passport
number (if applicable)
- (d) Residential address
- (e) Previous employer
- (f) Previous registration
number (if applicable)

13. (a) Will any person, other than the directors or shareholders of the applicant, have control over its business?

Yes/No*

(b) If yes, give the following particulars of each of such persons:

1 2 3

- (i) Name in English (including
any aliases)
- (ii) Name in Chinese and code
number (if applicable)
- (iii) Hong Kong identity card
number or passport number
(if applicable)
- (iv) Residential address or, in
the case of a corporation,
address of its registered
office or principal place
of business
- (v) Nationality or, in the
case of a corporation, its
place of incorporation
- (vi) Relationship with
applicant
- (vii) Nature of control

14. Give the following details of the capital of the applicant:

- (a) Nominal capital, the class or classes into which it is divided and number of shares in each class:
- (b) Number of shares issued to date and total issued capital:
- (c) Whether shares are fully paid up?
Yes/No*
- (d) If not, extent paid up?

(e) Whether any shares have been issued for a consideration other than cash?
Yes/No*

(f) If yes, how many, of what class and for what consideration?

15. Give the following details of each of the applicant's 6 largest shareholders:

1 2 3 4 5 6

(a) Name of shareholder in
English (including any
aliases)

(b) Name in Chinese, and
code number
(if applicable)

(c) Hong Kong identity card
number or passport
number (if applicable)

(d) Residential address or,
in the case of a corporate
shareholder, address of
its registered office or
principal place of business

(e) Name of beneficiary if
the registered shareholder
named above is a trustee
or nominee

(f) Percentage, number and
class of shares held

16. (a) Are there any substantial shareholders that are not identified in Question
No. 15?

Yes/No*

(b) If yes, give the following details of each of such shareholders:

1 2 3

(i) Name in English
(including any aliases)

(ii) Name in Chinese,
including code number
(if applicable)

(iii) Hong Kong identity
card number or passport
number (if applicable)

- (iv) Residential address or,
in the case of a corporate
shareholder, address of
its registered office or
principal place of business
- (v) Percentage, number and
class of shares held and/
or controlled

17. Give the following particulars of the ultimate holding company of the applicant, if any:

- (a) Name
- (b) Address of the registered office
- (c) Country of incorporation
- (d) Nature of business
- (e) Names of existing directors
- (f) Names of substantial shareholders

18. State the following particulars of each subsidiary and associated company of the applicant, if any:

1 2 3

- (a) Name
- (b) Address of the registered
office
- (c) Country of incorporation
- (d) Nature of business
- (e) Names of existing directors
- (f) Names of substantial
shareholders

19. If the applicant is part of a group of companies, give below a family tree chart showing the group structure to which the applicant belongs with percentage sizes of shareholdings:

20. Give the following particulars of any debentures created and issued by the applicant:

- (a) Date of issue
- (b) Amount secured by debenture
- (c) Rate of interest payable
- (d) Date of repayment
- (e) Names of the debenture holders or trustees for debenture holders

21. State the total amount of any other charges created by the applicant over its

assets or any part of them:

22. (a) Has the applicant in the past 5 years been a partner of a firm?

Yes/No*

(b) If yes, give the following details of each of such firms:

1 2 3

(i) Name of firm

(ii) Address (Post Office
Box numbers are not
acceptable)

(iii) Nature of business

(iv) Date of commencement

(v) Date of cessation
(if applicable)

(vi) Name of all partners in
English and, if applicable,
in Chinese

(vii) Whether the applicant is a
general or limited partner

(c) Does the applicant intend to continue to be a partner in such firm if this application is successful?

Yes/No*

23. (a) Has the applicant ever applied to be registered under the Securities Ordinance or the Commodities Trading Ordinance (Cap. 250) or to be otherwise registered, licensed, authorized or permitted to advise on/deal in securities or trade in commodity futures contracts or provide securities margin financing, in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such applications:

(i) Place and date of the application

(ii) Whether application successful

Yes/No*

(c) If the application was successful, indicate:

(i) Whether the company is still so registered, licensed, authorized or permitted
Yes/No*

(ii) Registration/licence/authorization/permit number

(d) If the company is not still so registered, licensed, authorized or permitted, give reason(s):

(e) If the application was unsuccessful, give reason(s) (if known to you):

24. (a) Is the applicant or has the applicant been an exchange participant/member of any stock or futures exchange in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such exchange participants/membership:

1 2 3

(i) Name of exchange

(ii) Place of exchange

(iii) Date became exchange
participant/member

(iv) Date and reasons of
termination of exchange
participants/
membership (if applicable)

(c) State period (with dates) during which the applicant participated in the trading of stocks or futures in the above stock or futures exchange:

25. (a) Is the applicant ever been registered, licensed, authorized or otherwise permitted by law to carry on any trade, business or profession in any place other than aforesaid?

Yes/No*

(b) If yes, give the following details of each of such registrations, licences, authorizations or permits:

1 2 3

(i) Name and place of
licensing body

(ii) Name under which the
trade, business or
profession to which such
registration, licence,
authorization or permit
relates is/was carried on

(iii) Date of registration,
licence, authorization
or permit granted

(iv) Date and reasons of
revocation, suspension or
withdrawal of such
registration, licence,

authorization or permit
(if applicable)

26. Has the applicant been licensed under the Money Lenders Ordinance (Cap. 163)?
Yes/No*

27. (a) Has the applicant ever been refused the right or restricted in the right to carry on any trade, business or profession for which a specific licence, registration or other authority is required by law in any place?

Yes/No*

(b) If yes, give full details of name of organization and reasons:

28. (a) Has the applicant been censured or disciplined in any way by any professional body to which it belongs or belonged or by any other regulatory body in relation to its business of securities margin financing or in relation to any other trade, business or profession, in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give full details of name of body, action taken by that body and reasons:

29. (a) Are there any disciplinary actions or proceedings pending against the applicant in relation to any trade, business or profession carried on by it in any place?

Yes/No*

(b) If yes, give full details of name of organization taking actions or proceedings, nature of disciplinary actions or proceedings and reasons:

30. (a) To your knowledge, has the applicant been investigated by any professional body of which it is or was a member, by a disciplinary tribunal established under any enactment, or by any other regulatory body in relation to its business of securities margin financing, in Hong Kong or elsewhere, except those conducted in the course of normal monitoring and surveillance?

Yes/No*

(b) If yes, give full details of name of body, nature of investigations and circumstances:

31. (a) Is the applicant a party in any civil litigation whether as a plaintiff, a defendant or otherwise, in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such litigation:

(Note: where the applicant is involved in any proceedings other than as a plaintiff or as a defendant, information on the following is only required if, as a result of the proceedings, the applicant may be liable to pay damages or where there are other factors which may be relevant to the fitness and properness of the applicant to be registered under the Securities Ordinance.)

1 2 3

- (i) Name of plaintiff
- (ii) Name of defendant
- (iii) Name of third party
(if any)
- (iv) Nature of litigation
- (v) Name and place of court
where the proceedings
commenced
- (vi) Court reference
(if any)

32. (a) Have the applicant's affairs ever been investigated by an inspector or officer appointed under any enactment of Hong Kong or elsewhere?

Yes/No*

(b) If yes, give details and findings:

33. (a) Has the applicant ever entered into any scheme of arrangement or any form of composition with its creditors?

Yes/No*

(b) If yes, give details of the arrangement or composition:

34. (a) Has a petition ever been presented for winding up the applicant?

Yes/No*

(b) If yes, is it now pending or how was it disposed of?

35. (a) Has a receiver ever been appointed by the court or by a debenture holder to manage the affairs of the applicant?

Yes/No*

(b) If yes, is the receiver still in possession of the applicant's assets?

Yes/No*

36. (a) Are there any unsatisfied judgment debts, or judgments or court orders for the payment of damages or other sums of money, whether in Hong Kong or elsewhere, outstanding against the applicant?

Yes/No*

(b) If yes, state amount and full details:

37. (a) Has the applicant ever been charged with or convicted of any offence, other than a traffic offence in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details:

1 2 3

(i) Offence

(ii) Penalty imposed (if any)

(iii) Date of conviction/trial

(iv) Name and place of court

in which the offence was/

will be tried

(v) Court reference (if any)

38. Give the following details of each bank at which accounts will be kept in connection with the business:

1 2 3

(a) Name of bank

(b) Address

(c) Account number(s)

(d) Date of opening

account(s)

39. (a) Name of the applicant's auditors:

(b) Has the applicant changed auditors in the past 3 years?

Yes/No*

(c) If yes, give the following details:

(i) Name(s) of the auditors concerned

(ii) Reasons for the change

40. Under the Securities Ordinance, the onus lies with applicants for registration to satisfy the Securities and Futures Commission that they are fit and proper persons to be so registered. With this in mind, please set out your case that you are a fit and proper person to be registered. (Please refer to the Commission's booklet "Fit and Proper Criteria"). You may wish to provide any other information that you think is relevant for the Commission when considering this application (especially if any of your answers to Questions No. 27 to 37 were affirmative).

41. Include full details of key personnel (including names, addresses, relevant experience, qualifications etc.) and operational systems to satisfy the Securities and Futures Commission that you will be able to comply on an on-going basis with the requirements of the Securities Ordinance and the Securities and Futures Commission Ordinance (Cap. 24) and that you have adequate means of supervising employees and handling complaints. (Please refer to the Commission's booklet "Fit and Proper Criteria").

Dated this _____ day of _____ .

(Note: This form must be signed by 2 directors, including the Chairman, with their names in block letters.)

Signed on behalf of the company:

Name of director Name of director

FORM 2S

SECURITIES ORDINANCE

(Chapter 333)

SECURITIES (SECURITIES MARGIN FINANCIERS
AND REPRESENTATIVES) RULES

STATEMENT OF PERSONAL INFORMATION IN SUPPORT OF
AN APPLICATION FOR REGISTRATION AS A
SECURITIES MARGIN FINANCIER

IMPORTANT --- If you are in doubt as to how to complete this application, you should consult your solicitor or other professional adviser.

WARNING --- Section 121F of the Securities Ordinance makes it an offence for a person who makes a false or misleading representation in relation to an application for registration under Part XA of the Ordinance. A person who commits the offence is liable on conviction on indictment to a maximum fine of \$1,000,000 and to imprisonment for 5 years, or on summary conviction to a maximum fine at level 6 and to imprisonment for 6 months.

This statement is supplied by -----

(Name of company)

to the Securities and Futures Commission in support of its application for registration as a securities margin financier under Part XA of the Securities Ordinance.

This statement relates to -----, a director/substantial shareholder* of the company (hereafter referred to as the "Relevant Person").

NOTES:

1. If there is insufficient space to complete your answer to any question, please continue on a separate sheet, specify the question to which the sheet relates and add your signature.
2. Any changes in the given information should be notified immediately to the Securities and Futures Commission.
3. In this form, unless the context otherwise requires, "business" (業務) means the business to which this application relates.
4. *means delete whichever is inappropriate.
5. All surnames of individuals must be underlined.
6. All questions must be answered, if any question is not applicable, please write

"N.A."

7. This form must be accompanied by the following:

- (a) A certified copy of the Hong Kong identity card/passport
- (b) Authorization form to obtain information from the Commissioner of Police and the Commissioner of Customs and Excise
- (c) Duly signed Notes on Personal Information Collection

8. In the case where the Relevant Person is a director, a certified copy of the resolution authorizing his appointment as a director should accompany this form.

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- 1. Full name in English (including any aliases):
 - 2. Full name in Chinese (including any aliases) and code number (if applicable):
 - 3. Residential address (in English and Chinese) and telephone number:
 - 4. Place and date of birth:
 - 5. Hong Kong identity card number or passport number:
 - 6. Nationality:
 - 7. Period of ordinary residence in Hong Kong:
 - 8. Give details of the Relevant Person's highest achieved educational level and any professional, technical or other academic qualifications that he/she holds together with respective dates and issuing institution(s):
 - 9. (a) Does the Relevant Person currently either as a sole proprietor or as a partner of a partnership conduct a business as a dealer/securities margin financier/an investment adviser?
Yes/No*
 - (b) If yes, give name of business, date such business commenced and place where such business is/has been conducted:
 - 10. State how many years' experience the Relevant Person has in the business of dealing in securities/securities margin financing/giving investment advice and give full details of his/her experience:
 - 11. (a) Has the Relevant Person in the past 5 years carried on as a sole proprietor or as a partner of a partnership any business other than a business as a dealer, securities margin financier or an investment adviser?
Yes/No*
 - (b) If yes, give the following details of each of such businesses:
 - 1 2 3
 - (i) Name of business
 - (ii) Address (Post Office
Box numbers are not
acceptable)

- (iii) Nature of business
- (iv) Date of commencement
- (v) Date of cessation
(if applicable)
- (vi) If appropriate, the names
and identity card numbers
or passport numbers of
all partners
- (vii) If appropriate, whether the
Relevant Person is/was a
general or limited partner
- (viii) Does the Relevant Person
intend to continue such
business if this application
is successful?
(Yes/No)

12. (a) Is the Relevant Person or has he/she been in the past 5 years a director of a corporation whether incorporated in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such corporations:

1 2 3

- (i) Name of corporation
---English
---Chinese (if applicable)
- (ii) Address of its registered

office or principal place

of business (Post Office

Box numbers are not

acceptable)

- (iii) Place of its incorporation
- (iv) Date of its incorporation
- (v) Nature of its business
- (vi) Date of appointment as director
- (vii) If appropriate, date of and reason for resignation/dismissal
- (viii) Does the Relevant Person intend to remain as a director of such

corporation if this application is successful?

(Yes/No)

13. (a) Has the Relevant Person been employed during the past 5 years by any person,

firm or corporation otherwise than as a director?

Yes/No*

(b) If yes, give the following details of each of such employment:

1 2 3

(i) Name of employer

---English

---Chinese (if applicable)

(ii) Principal business

address (Post Office

Box numbers are

not acceptable)

(iii) Nature of business

(iv) If employer is or has

been a registered person

under the Securities

Ordinance and/or the

Commodities Trading

Ordinance (Cap. 250),

provide type(s) of

registration and number(s)

(v) Capacity in which

employed (give details of

employment duties on a

separate sheet)

(vi) Date of commencement of
employment

(vii) Date of termination of
employment

(if applicable)

(viii) Reason(s) for termination
of employment

(if applicable)

14. (a) Has the Relevant Person ever applied to be registered under the Securities Ordinance or the Commodities Trading Ordinance (Cap. 250), or to be otherwise registered, licensed, authorized or permitted to advise on/deal in securities or trading in commodity futures contracts or provide securities margin financing in Hong Kong or elsewhere?

Yes/No*

- (b) If yes, give the following details of each of such applications:
- (i) Place and date of application
 - (ii) Whether application successful
Yes/No*
- (c) If the application was successful, indicate:
- (i) Whether the Relevant Person is still so registered, licensed, authorized or permitted
Yes/No*
 - (ii) Registration/licence/authorization/permit number
- (d) If he/she is not still so registered, licensed, authorized or permitted, give reason(s):
- (e) If the application was unsuccessful, give reason(s) (if known to you):
15. (a) Is the Relevant Person or has he/she been an exchange participant/member of any stock or futures exchange in Hong Kong or elsewhere?
Yes/No*
- (b) If yes, give the following details of each of such exchange participantship/membership:
- | 1 | 2 | 3 |
|--|---|---|
| (i) Name of exchange | | |
| (ii) Place of exchange | | |
| (iii) Date became exchange participant/member | | |
| (iv) Date of termination of exchange participantship/membership (if applicable) | | |
| (v) Reason(s) for termination of exchange participantship/membership | | |
| (vi) Period (with dates) during which he/she participated in the trading of stocks or futures in the above stock or futures exchange | | |
16. (a) Is the Relevant Person applying for exchange participantship/membership of any stock or futures exchange(s) in Hong Kong or elsewhere?
Yes/No*
- (b) If yes, give name(s) and address(es) of exchange(s):
17. (a) Has the Relevant Person or a company of which he/she is/was a director or

a substantial shareholder or a firm of which he/she is/was a partner ever been refused exchange participants/membership of a stock or futures exchange in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such refusals:

1 2 3

(i) Name of exchange

(ii) Place of exchange

(iii) Reason(s) for such
refusal (if known to you)

18. (a) Has the Relevant Person or a company of which he/she is/was a director or a substantial shareholder or a firm of which he/she is/was a partner ever had his/her/its exchange participants/membership of a stock or futures exchange in Hong Kong or elsewhere revoked or suspended?

Yes/No*

(b) If yes, give the following details of each of such revocations or suspensions:

1 2 3

(i) Name of exchange

(ii) Place of exchange

(iii) Reason(s) for such
revocation or suspension

19. (a) Has the Relevant Person ever been registered, licensed, authorized or otherwise permitted by law to carry on any trade, business or profession in any place other than aforesaid?

Yes/No*

(b) If yes, give the following details of each of such registrations, licenses, authorizations or permits:

1 2 3

(i) Name and place of
licensing body

(ii) Name under which the
trade, business or
profession to which such
registration, licence,
authorization or permit
relates is/was carried on

(iii) Date of registration,
licence, authorization or

permit granted

(iv) Date of revocation,
suspension or withdrawal of
registration, licence,
authorization or permit
(if applicable)

(v) Reason(s) for such
revocation, suspension, or
withdrawal (if applicable)

20. (a) Has the Relevant Person ever been refused the right or restricted in the right to carry on any trade, business or profession for which a specific registration, licence or other authority is required by law in any place?

Yes/No*

(b) If yes, give details of name of organization and reasons:

21. (a) Has the Relevant Person been disqualified, censured or disciplined in any way by any professional body to which he/she belongs or belonged or by any other regulatory body in relation to his/her business of dealing in securities or trading in commodity futures contracts or in relation to any other trade, business or profession, in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give details of name of body, action taken by that body and reasons:

22. (a) Are there any disciplinary actions or proceedings pending against the Relevant Person in relation to any trade, business or profession carried on by him/her in any place?

Yes/No*

(b) If yes, give details of name of organization taking actions or proceedings, nature of disciplinary actions or proceedings and reasons:

23. (a) Has the Relevant Person ever been investigated by any professional body of which he/she is or was a member, by a disciplinary tribunal established under any enactment or by any other regulatory body in relation to his/her business of dealing in securities, trading in commodity futures contracts or providing securities margin financing, in Hong Kong or elsewhere, except those conducted in the course of normal monitoring and surveillance?

Yes/No*

(b) If yes, give details of name of body, nature of investigations and circumstances:

24. (a) Has the Relevant Person ever been involved in the management or control of any corporation in Hong Kong or elsewhere, which is being or has been investigated by an inspector or officer appointed under any enactment?

Yes/No*

(b) If yes, give name of corporation and details of investigations:

25. (a) Has the Relevant Person, in connection with the formation or management of any corporation, been adjudicated by a court in Hong Kong or elsewhere, civilly liable for any fraud, misfeasance or other misconduct towards that corporation or any member thereof, or been disqualified by order of such court from being a director, or the equivalent in other jurisdiction?

Yes/No*

(b) If yes, give details of adjudication and circumstances:

26. (a) Has the Relevant Person ever been involved in the management or control of any business in Hong Kong or elsewhere, which is being or has been investigated in relation to any offence involving fraud or dishonesty?

Yes/No*

(b) If yes, give details of the organization undertaking investigations, and findings:

27. (a) Is the Relevant Person a party in any civil litigation whether as a plaintiff, defendant or otherwise in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such litigation:

(Note: where the Relevant Person is involved in any proceedings other than as a plaintiff or as a defendant, information on the following is only required if, as a result of the proceedings, the Relevant Person may be liable to pay damages or where there are other factors which may be relevant to the fitness and properness of the Relevant Person to be registered under the Securities Ordinance.)

1 2 3

(i) Name of plaintiff

(ii) Name of defendant

(iii) Name of third party

(if any)

(iv) Nature of litigation

(v) Name and place of court

where proceedings

commenced

(vi) Court reference (if any)

28. Give particulars of:

(a) Any judgment made against the Relevant Person in which fraud was alleged, whether in Hong Kong or elsewhere

(b) Any unsatisfied judgment debts outstanding against the Relevant Person in

connection with any business conducted by him/her, whether in Hong Kong or elsewhere

(c) Any unsatisfied judgment or court order, in Hong Kong or elsewhere, requiring the payment of damages or other sums of money in relation to any trade or business carried on by the Relevant Person or in which he/she has been concerned

29. (a) Has the Relevant Person ever been adjudicated bankrupt in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details:

(i) Date and place of adjudication of bankruptcy

(ii) Court of adjudication

(iii) If discharged, state:

date of discharge

conditions (if any)

30. (a) Has a bankruptcy petition ever been served on the Relevant Person, in Hong Kong or elsewhere, that did not result in his/her being adjudicated bankrupt?

Yes/No*

(b) If yes, give details of date and court of each of such petitions:

31. (a) Has the Relevant Person ever, in Hong Kong or elsewhere, been a party to a scheme of arrangement or entered into any form of composition with his/her creditors or had a receiver or administrator appointed over any of his/her assets/business?

Yes/No*

(b) If yes, give details of the arrangement or composition:

32. (a) Has the Relevant Person ever been charged with or convicted of an offence, other than a traffic offence in Hong Kong or elsewhere (including any spent conviction)?

Yes/No*

(b) If yes, give the following details:

1 2 3

(i) Offence

(ii) Penalty imposed

(if any)

(iii) Date of conviction

or trial

(iv) Name and place of
court in which the offence
was/will be tried

(v) Court reference

(if any)

33. (a) Has any corporation of which the Relevant Person has been a director, whether in Hong Kong or elsewhere, been wound up other than by means of a members' voluntary winding up, during the past 5 years?

Yes/No*

(b) If yes, give the following details of each of such corporations:

1 2 3

(i) Name of corporation

(ii) Mode of winding up

(iii) Date of and reason(s)
for winding up

(iv) Name and address
of liquidator

34. (a) Has any firm of which the Relevant Person has been a partner, in Hong Kong or elsewhere, been dissolved, other than voluntarily with the consent of all the partners, during the past 5 years?

Yes/No*

(b) If yes, give the following details of each of such firms:

1 2 3

(i) Name of firm

(ii) Mode of dissolution

(iii) Date of and reasons
for dissolution

35. (a) Has the Relevant Person ever been detained under the Mental Health Ordinance (Cap. 136) in a mental hospital or has been a patient, as defined in section 2(1) of that Ordinance?

Yes/No*

(b) If yes, give the following details:

(i) Period of detention or hospital confinement (with dates)

(ii) Name of hospital

Dated this _____ day of _____ .

A recent
passport size
photograph of
the Relevant
Person

Signature of the
Relevant Person _____

Full name _____

(in block letters)

FORM 3S
SECURITIES ORDINANCE
(Chapter 333)
SECURITIES (SECURITIES MARGIN FINANCIERS
AND REPRESENTATIVES) RULES
APPLICATION FOR APPROVAL AS AN APPROVED DIRECTOR
UNDER SECTION 121I OF SECURITIES ORDINANCE

IMPORTANT --- If you are in doubt as to how to complete this application, you should consult your solicitor or other professional adviser.

WARNING --- Section 121F of the Securities Ordinance makes it an offence for a person who makes a false or misleading representation in relation to an application for registration under Part XA of the Ordinance. A person who commits the offence is liable on conviction on indictment to a maximum fine of \$1,000,000 and to imprisonment for 5 years, or on summary conviction to a maximum fine at level 6 and to imprisonment for 6 months.

NOTES:

1. This form must be accompanied by a Form 3R duly completed by the applicant unless such form has previously been lodged with the Securities and Futures Commission.
2. If there is insufficient space to complete your answer to any question, please continue on a separate sheet, specify the question to which the sheet relates and add your signature.
3. Any changes in the given information prior to the approval of this application should be notified immediately to the Securities and Futures Commission.
4. In this form, unless the context otherwise requires, "business" (業務) means the business to which this application relates.
5. *means delete whichever is inappropriate.
6. All questions must be answered, if any question is not applicable, please write "N.A."

Name of applicant

Surname

Other names

Registration No. as a Securities

Margin Financier's Representative

(if applicable)

Name of principal

DETAILS OF RELEVANT EXPERIENCE

1. Number of years of relevant experience in the area where the applicant is applying for registration: _____ years.

2. Provide details of all past relevant experience (starting from the present or most recent one):

Name of regulatory bodies registered/licensed, if any

From (MM/YYYY)	To (MM/YYYY)	Name of business	Position held	Details of responsibilities
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Note: You must provide suitable evidence that you have had the above experience, for example, reference letters from your former employers.

DUTIES AND RESPONSIBILITIES

3. Set out in details your duties and responsibilities in the business. Please provide an organization chart showing the divisions which are under your supervision and management.

ADDITIONAL INFORMATION

4. Under the Securities Ordinance, the onus lies with applicants to satisfy the Securities and Futures Commission that they are fit and proper persons to be so registered. With this in mind, please set out your case that you are a fit and proper person to be registered. (Please refer to the Commission's booklet "Fit and Proper Criteria".) You may wish to provide any other information that you think is relevant for the Commission when considering this application (especially if any of your answers to Questions No. 16 to 25 on Form 3R were affirmative).

CHECKLIST

Before signing, please ensure that the following documents are submitted together with this application form by ticking the relevant boxes:

- 1. Form 3R and the specified supporting documents (if applicant is not currently registered as a securities margin financier's representative).
- 2. Certified true copy of the resolution appointing the applicant as a director and authorizing his being responsible for supervising the company's business as a securities margin financier.
- 3. Suitable evidence of relevant experience (referred in Question No. 2).

_____	_____	_____
Name of applicant	Signature of applicant	Date
(in block letters)		

SECURITIES (SECURITIES MARGIN FINANCIERS
AND REPRESENTATIVES) RULES
APPLICATION FOR REGISTRATION AS A SECURITIES
MARGIN FINANCIER'S REPRESENTATIVE

IMPORTANT --- If you are in doubt as to how to complete this application, you should consult your solicitor or other professional adviser.

WARNING --- Section 121F of the Securities Ordinance makes it an offence for a person who makes a false or misleading representation in relation to an application for registration under Part XA of the Ordinance. A person who commits the offence is liable on conviction on indictment to a maximum fine of \$1,000,000 and to imprisonment for 5 years, or on summary conviction to a maximum fine at level 6 and to imprisonment for 6 months.

NOTES:

1. If there is insufficient space to complete your answer to any question, please continue on a separate sheet, specify the question to which the sheet relates and add your signature.
2. Any changes in the given information prior to the approval of this application should be notified immediately to the Securities and Futures Commission.
3. In this form, unless the context otherwise requires, "business" (業務) means the business to which this application relates.
4. *means delete whichever is inappropriate.
5. All surnames of individuals must be underlined.
6. All questions must be answered, if any question is not applicable, please write "N.A."
7. Applicant must provide supporting documents as listed in the Checklist for Representative Application accompanying this form.

1. Full name of the applicant:
 - (a) in English (including any aliases)
 - (b) in Chinese (including any aliases) and code number (if applicable)
2. Residential address (in English and Chinese) and telephone number:
3. Place and date of birth:
4. Hong Kong identity card number or passport number:
5. Nationality:
6. Period of ordinary residence in Hong Kong:
7. Give the following details of the securities margin financier for whom you will act:
 - (a) Name of employer/principal in English

- (b) Name of employer/principal in Chinese and code number (if applicable)
 - (c) Business name of employer/principal
 - (d) Business address of employer/principal (Post Office Box numbers are not acceptable)
 - (e) Capacity in which employed
 - (f) Date of commencement as a representative
8. Address (Post Office Box numbers are not acceptable) and telephone number and, if appropriate, facsimile number of each place where you will carry on business:
9. Give the following particulars of your work experience in the past 5 years:
- | | | |
|---|---|---|
| 1 | 2 | 3 |
|---|---|---|
- (a) Name of employer
 - English
 - Chinese (if applicable)
 - (b) Principal business address
(Post Office Box numbers are not acceptable)
 - (c) Nature of business
 - (d) If employer is or has been a registered person under the Securities Ordinance and/or the Commodities Trading Ordinance (Cap. 250), provide type(s) of registration and number(s)
 - (e) Capacity in which employed
(give details of employment duties on a separate sheet)
 - (f) Date of commencement of employment
 - (g) Date of termination of employment (if applicable)
 - (h) Reason(s) for termination of employment
(if applicable)
10. If you are still in employment other than the one which relates to this application, do you intend to remain in such employment if this application is successful?
Yes/No*
11. (a) Have you carried on any business as a sole proprietor or as a partner of a

partnership during the past 5 years?

Yes/No*

(b) If yes, give the following details of each of such businesses:

1 2 3

(i) Name of business

(ii) Address (Post Office

Box numbers are

not acceptable)

(iii) Nature of business

(iv) Date of commencement

(v) Date of termination

(if applicable)

(vi) Do you intend to continue

such business if this

application is successful?

12. Give details of your highest achieved education level and any professional, technical or academic qualifications that you hold together with respective dates and issuing institution(s):

13. (a) Are you working or have you worked as a representative for a person registered as a dealer, investment adviser, commodity trading adviser or securities margin financier as may be appropriate, under the Securities Ordinance or the Commodities Trading Ordinance (Cap. 250) in Hong Kong?

Yes/No*

(b) If yes, give the following details of each of such employers:

1 2 3

(i) Names

(ii) Date(s) of employment

14. (a) Have you ever applied to be registered under the Securities Ordinance or the Commodities Trading Ordinance (Cap. 250), or to be otherwise registered, licensed, authorized or permitted to advise on/deal in securities or trade in commodity futures contracts or provide securities margin financing in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such applications:

(i) Place and date of application

(ii) Whether application successful

Yes/No*

(c) If the application was successful, indicate:

(i) Whether you are still so registered, licensed, authorized or permitted

Yes/No*

(ii) Registration/licence/authorization/permit number

(d) If you are not still so registered, licensed, authorized or permitted, give reason(s):

(e) If the application was unsuccessful, give reason(s) (if known to you):

15. (a) Have you ever been registered, licensed, authorized or otherwise permitted by law to carry on any trade, business or profession in any place other than aforesaid?

Yes/No*

(b) If yes, give the following details of each of such registrations, licences, authorizations or permits:

1 2 3

(i) Name and place of
licensing body

(ii) Name under which the
trade, business or profession
to which such registration,
licence, authorization or
permit relates is/was
carried on

(iii) Date of registration,
licence, authorization or
permit granted

(iv) Date of revocation,
suspension or withdrawal
of registration, licence,
authorization or permit
(if applicable)

(v) Reason(s) for such
revocation, suspension,
or withdrawal
(if applicable)

16. (a) Have you ever been refused the right or restricted in the right to carry on any trade, business or profession for which a specific registration, licence or other authority is required by law in any place?

Yes/No*

(b) If yes, give details of name of organization and reason(s):

17. (a) Have you been censured or disciplined in any way by any professional body, to which you belong or belonged, by any disciplinary tribunal established under any

enactment or by any other regulatory body in relation to any trade, business or profession, in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give details of name of body and reasons:

18. (a) Are there any disciplinary actions or proceedings pending against you in relation to any trade, business or profession carried on by you in any place?

Yes/No*

(b) If yes, give details of name of organization taking actions or proceedings, nature of disciplinary actions or proceedings and reasons:

19. Give particulars of:

(a) Any judgment made against you in which fraud was alleged, whether in Hong Kong or elsewhere

(b) Any unsatisfied judgment debts outstanding against you in connection with any business conducted by you, whether in Hong Kong or elsewhere

(c) Any unsatisfied judgment or court order, in Hong Kong or elsewhere, requiring the payment of damages or other sums of money in relation to any trade or business carried on by you or in which you have been concerned

20. (a) Have you ever been adjudicated bankrupt in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details:

(i) Date and place of adjudication of bankruptcy

(ii) Court of adjudication

(iii) If discharged, state:

date of discharge

conditions (if any)

21. (a) Has a bankruptcy petition ever been served on you, in Hong Kong or elsewhere, that did not result in your being adjudicated bankrupt?

Yes/No*

(b) If yes, give details of date and place of each of such petitions:

22. (a) Have you ever, in Hong Kong or elsewhere, been a party to a scheme of arrangement or entered into any form of composition with your creditors or had a receiver or administrator appointed over your assets/business?

Yes/No*

(b) If yes, give details of the arrangement or composition:

23. (a) Are you a party in any civil litigation, whether as a plaintiff, defendant or otherwise in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details of each of such litigation:

(Note: If you are involved in any proceedings other than as a plaintiff or as a defendant, information on the following is only required if, as a result of the proceedings, you may be liable to pay damages or where there are other factors which may be relevant to your fitness and properness to be registered under the Securities Ordinance.)

1 2 3

(i) Name of plaintiff

(ii) Name of defendant

(iii) Name of third party
(if any)

(iv) Nature of litigation

(v) Name and place of court
where the proceedings
commenced

(vi) Court reference, if any

24. (a) Have you ever been charged with or convicted of an offence, other than a traffic offence in Hong Kong or elsewhere?

Yes/No*

(b) If yes, give the following details:

1 2 3

(i) Offence

(ii) Penalty imposed (if any)

(iii) Date of conviction/trial

(iv) Name and place of court
in which the offence
was/will be tried

(v) Court reference, if any

25. (a) Have you ever been detained under the Mental Health Ordinance (Cap. 136) in a mental hospital or have you been a patient, as defined in section 2(1) of that Ordinance?

Yes/No*

(b) If yes, give the following details:

(i) Period of detention or hospital confinement (with dates)

(ii) Name of hospital

26. Give 2 references from persons who have known you personally for not less than 3 years:

(a) I _____ of _____
(name of referee) (address and occupation of referee)

have personally known _____ for a period

(name of the applicant)

of _____ .

(number of years)

I came to know the applicant on

_____ .

(approximate date on which the referee first met the applicant and the extent of the referee's acquaintance with him)

To the best of my knowledge, the applicant is a person of good character and is a fit and proper person to be registered as a securities margin financier's representative.

Dated this _____ day of _____ .

Signature _____

Name _____

(in block letters)

(b) I _____ of _____

(name of referee) (address and occupation of referee)

have personally known _____ for a period

(name of the applicant)

of _____ .

(number of years)

I came to know the applicant on

_____ .

(approximate date on which the referee first met the applicant and the extent of the referee's acquaintance with him)

To the best of my knowledge, the applicant is a person of good character and is a fit and proper person to be registered as a securities margin financier's representative.

Dated this _____ day of _____ .

Signature _____

Name _____

(in block letters)

Dated this _____ day of _____ .

A recent

passport size
photograph of
the applicant

Signature _____

Name of applicant _____

(in block letters)

Andrew SHENG

Chairman,

Securities and Futures Commission

30 March 2000

Explanatory Note

These Rules prescribe the manner and forms for---

(a) the application of registration as a securities margin financier or a securities margin financier's representative; and

(b) the approval under section 121I of the Securities Ordinance (Cap. 333).

2. The Rules also prescribe the particulars required to be kept in the registers and empower the Securities and Futures Commission to correct errors in the registers and issue duplicate certificate of registration.