

**Bills Committee on Securities and Futures (Amendment) Bill 2011**

**Follow-up to the meeting on 19 January 2012**

1. The Administration is requested to further consider the view of the Hong Kong Institute of Certified Public Accountants regarding the extension of the safe harbour provisions to cover certain situations as described by the Institute.
2. Regarding the proposal to empower the Securities and Futures Commission (SFC) to institute proceedings before the Market Misconduct Tribunal (MMT) direct and to appoint the Presenting Officers in MMT proceedings, the Administration is requested to provide the following information, particularly with regard to the issue of checks and balances:
  - (a) a comparison, in tabular form or diagrams, between the existing and proposed procedures for instituting criminal and civil proceedings in respect of market misconduct cases under the Securities and Futures Ordinance (Cap. 571);
  - (b) the procedures of other local regulatory/statutory bodies for instituting legal proceedings which are comparable to MMT proceedings, including the situations where the consent of other authorities is required to institute the proceedings;
  - (c) apart from the Hong Kong Bar Association, the views of other parties regarding the proposal; and
  - (d) how the board of SFC would consider and decide whether a case should be brought before MMT.
3. Regarding clause 28(7) which introduces new section 32A, SFC is requested to confirm whether the withdrawal or discontinuation of MMT proceedings would be subject to the agreement of the board of SFC.