

**立法會**  
**Legislative Council**

LC Paper No. CB(1)1234/14-15  
(These minutes have been seen  
by the Administration)

Ref : CB1/BC/3/14/1

**Bills Committee on Clearing and Settlement Systems  
(Amendment) Bill 2015**

**Minutes of the sixth meeting on  
Tuesday, 26 May 2015, at 4:30 pm  
in Conference Room 2A of the Legislative Council Complex**

- Members present** : Hon Andrew LEUNG Kwan-yuen, GBS, JP (Chairman)  
Hon CHAN Kam-lam, SBS, JP  
Hon WONG Ting-kwong, SBS, JP  
Hon Starry LEE Wai-king, JP  
Hon CHAN Kin-por, BBS, JP  
Hon NG Leung-sing, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon Christopher CHEUNG Wah-fung, SBS, JP
- Members absent** : Hon Kenneth LEUNG  
Hon SIN Chung-kai, SBS, JP
- Public officers attending** : Mr Jackie LIU  
Principal Assistant Secretary for Financial Services and  
the Treasury (Financial Services)5
- Ms Jenny LEE  
Assistant Secretary for Financial Services and the  
Treasury (Financial Services)(5)1

Mr Esmond LEE, JP  
Executive Director (Financial Infrastructure)  
Hong Kong Monetary Authority

Mr LI Shu-pui  
Head (Financial Infrastructure Development)  
Hong Kong Monetary Authority

Mr Daniel LEONG  
Senior Manager (Financial Infrastructure Development)  
Hong Kong Monetary Authority

Ms Yvonne TSUI  
Senior Counsel  
Hong Kong Monetary Authority

Ms Lonnie NG  
Acting Senior Assistant Law Draftsman  
Department of Justice

Ms Mandy NG  
Senior Government Counsel  
Department of Justice

**Clerk in attendance** : Ms Connie SZETO  
Chief Council Secretary (1)4

**Staff in attendance** : Mr YICK Wing-kin  
Assistant Legal Adviser 8

Miss Sharon LO  
Senior Council Secretary (1)9

## **I Meeting with the Administration**

### Matters arising from previous meeting

(LC Paper No. CB(1)871/14-15(01) — List of follow-up actions arising from the discussion at the meeting on 12 May 2015

LC Paper No. CB(1)871/14-15(02) — Administration's response to issues raised at the meeting on 12 May 2015)

Clause-by-clause examination of the Bill

(LC Paper No. CB(3)390/14-15 — The Bill

LC Paper No. CB(1)615/14-15(01) — Marked-up copy of the Bill prepared by the Legal Service Division (Restricted to members only)

LC Paper No. CB(1)714/14-15(03) — Letter dated 23 March 2015 from Legal Service Division to the Administration

LC Paper No. CB(1)714/14-15(04) — Administration's response to Legal Service Division's letter dated 23 March 2015

File Ref: B&M/2/1/20C — Legislative Council Brief

LC Paper No. LS36/14-15 — Legal Service Division Report

LC Paper No. CB(1)590/14-15(01) — Background brief on Clearing and Settlement Systems (Amendment) Bill 2015 prepared by the Legislative Council Secretariat)

Discussion

2. The Bills Committee deliberated (Index of proceedings attached at **Appendix**).

Clause-by-clause examination of the Bill

3. The Bills Committee scrutinized clauses 17 (from the proposed section 8ZZZB of the Clearing and Settlement Systems Ordinance (Cap. 584) ("CSSO")) to 52, clause 53 (the proposed Schedules 8 and 9) and clauses 54 to 67 of the Bill.

4. The Chairman remarked that the Bills Committee had completed the clause-by-clause examination of the Bill, and would consider the Committee Stage amendments ("CSAs") to be proposed by the Administration at the next meeting.

Follow-up actions to be taken by the Administration

*Stored value facilities ("SVF") under exemption*

5. Sections 4 and 5 of the proposed Schedule 8 to CSSO (clause 53 of the Bill) exempted an SVF used within limited group of goods or services providers or used within certain premises from the relevant licensing and supervision requirements under the proposed Part 2A, on the conditions that the float amount of the facility or the aggregate float amount of all facilities of an SVF issuer was below \$1 million. The Administration was requested to provide supplementary information as to how the Monetary Authority ("MA") would ensure SVF issuers' compliance with the requirements in the provisions as issuers were not required to apply for licences and were exempted from the supervision requirements under CSSO.

*False claims to be SVF issuer or facilitator*

6. The proposed section 8ZZZK of CSSO (clause 17 of the Bill) prohibited persons who were not SVF licensees to describe or hold themselves out as such licensees. It was an offence for a person who contravened this provision. It was noted that the provision did not cover the situation where a person falsely described another person as an SVF licensee. The Administration was requested to provide supplementary information on the actions MA would take against:

- (a) the person who made the false description on a third person ; and
- (b) such third person in question.

*Legal professional privilege ("LPP")*

7. The proposed Parts 2B and 3A of CSSO (clauses 19 to 29 of the Bill) empowered MA or its investigator(s) to request information and explanations, etc. from SVF licensees, system operators of designated systems, and persons in order to facilitate investigation of suspected offences or non-compliance cases. To ensure the protection of privileged information and against provision of self-incriminating evidence, the Administration was requested to:

- (a) explain the rationale for not expressly providing in Parts 2B and 3A the right for persons to claim privilege (including LPP and privilege against self-incriminating evidence) in relation to provision of information and MA's investigation;
- (b) explain how MA would handle persons' claims mentioned in (a) above; and
- (c) re-consider the need to set out in Parts 2B and 3A that any claim on LPP would not be affected by provisions in the Bill with reference to similar provisions under the Securities and Futures Ordinance (Cap. 571).

*Time limit for civil actions*

8. The proposed section 33V of CSSO (clause 29 of the Bill) empowered MA to impose sanction on a former regulated person without specifying the time limit for taking the relevant actions. In the light of the legal advisor's comment about the scope of the provision, the Administration was requested to provide supplementary information on the time limit to initiating civil actions against a former regulated person under the judicial system in Hong Kong.

*Review of MA's decisions*

9. Part 2 of the proposed Schedule 1 to CSSO (clause 52 of the Bill) specified a list of MA's decisions under CSSO that were subject to review by the proposed Payment Systems and Stored Value Facilities Appeals Tribunal ("the list of reviewable decisions"). The Administration was requested to:

- (a) explain the principles adopted in formulating the list of reviewable decisions;
- (b) explain why the below decisions were not included in the list of reviewable decisions –
  - (i) the decision to declare a person not to be a manager of an SVF licensee or a class of persons not to be managers of an SVF licensee (i.e. the proposed section 8A); and
  - (ii) the decision to revoke the appointment of an "Advisor" and a "Manager" appointed under the proposed sections 8ZG and 8ZH for giving advice and managing the licensee's affairs, business or property of the licensee when it was unable to meet its obligations, etc. (i.e. the proposed

section 8ZU); and

- (c) re-consider the need to include the decisions in (b) above in the list of reviewable decisions with reference to the relevant provisions in the Banking Ordinance (Cap. 155).

*Drafting issues*

10. In the light of a member's comment, the Administration had agreed to consider deleting the word "現" in the phrase "變現" in the Chinese text of section 3(c) of the proposed Schedule 8 to CSSO.

11. In the light of the legal adviser's comment, the Administration had agreed to consider replacing the words "電子" by "數碼" in the heading of section 2 of the proposed Schedule 8 to CSSO.

12. In the light of the legal adviser's comment, the Administration had agreed to consider specifying clearly the scope of "communication network" in the proposed section 8ZZZI(1)(c) to include the webpage of the SVF licensee.

*(Post-meeting note: The Administration's written response was issued to members vide LC Paper No. CB(1)981/14-15(02) on 15 May 2015.)*

## **II Any other business**

Date of next meeting

13. The Chairman reminded members that the next meeting would be held on 9 June at 2:30 pm.

*(Post-meeting note: The Administration subsequently informed that it needed more time to finalize the CSAs. With concurrence of the Chairman, the meeting on 9 June was re-scheduled for 15 June, at 10:45 am. Members were informed of the arrangement vide LC Paper No. CB(1)949/14-15 issued on 5 June 2015.)*

14. There being no other business, the meeting ended at 6:25 pm.

**Proceedings of the Bills Committee on Clearing and Settlement Systems  
(Amendment) Bill 2015**

**Sixth meeting on Tuesday, 26 May 2015, at 4:30 pm  
in Conference Room 2A of the Legislative Council Complex**

<b>Time Marker</b>	<b>Speaker</b>	<b>Subject(s)</b>	<b>Action Required</b>
000326 – 000451	Chairman	Introductory remarks	
000452 – 001506	Administration	Briefing by the Administration on its response to the issues arising from the meeting held on 12 May 2015 (LC Paper No. CB(1)871/14-15(02))	
001507 – 001801	Chairman Administration	<p><u>Submission from Communications Association of Hong Kong ("CAHK")</u></p> <p>The Chairman informed members that the Bills Committee had received a submission from CAHK conveying the concern of its member, HKT Limited, on the proposed section 8C of the Clearing and Settlement Systems Ordinance (Cap. 584) ("CSSO") which might have the effect of requiring Internet service providers ("ISPs") to monitor the content on their networks on an ongoing basis.</p> <p>The Administration advised that –</p> <p>(a) the proposed section 8C provided that a person must not knowingly promote or otherwise assist another person in issuing or facilitating the issue of stored value facilities ("SVF") without a licence;</p> <p>(b) any person, regardless whether they were ISPs, who contravened the proposed section 8C would be liable for the offence, and a defence of "reasonable excuse" was available under the provision; and</p> <p>(c) the provision did not impose an obligation on ISPs to verify the contents and accuracy of the promotional or advertisement materials provided by an SVF issuer.</p> <p>Upon request of the Chairman, the Administration agreed to provide a written response to CAHK's submission.</p>	

Time Marker	Speaker	Subject(s)	Action Required
		<p><i>(Post-meeting note: The submission of CAHK (LC Paper No. CB(1)881/14-15(01)) was issued to members on 27 May 2015.)</i></p>	
001802 – 002256	Chairman Administration Assistant Legal Adviser ("ALA")	<p><u>Minimum licensing criteria for SVF issuers and facilitators</u> (proposed section 8 of Part 2 of Schedule 3 to CSSO)</p> <p>ALA enquired about the circumstances the Monetary Authority ("MA") would consider in approving SVF issuers to set deadline for users in using or redeeming the stored value in the SVF.</p> <p>The Administration advised that, SVF issuers in general did not impose any deadline for users in using or redeeming the stored value in the facilities. In considering whether to allow an SVF issuer to set deadline for using or redeeming the stored value in the facility, MA would take into account factors, such as the nature of the SVF, whether the users were provided with clear information on the deadline in the contract with the issuer, and whether there would be unreasonable treatment to users with the imposition of the deadline. The Administration would consider proposing a Committee Stage amendment ("CSA") to the proposed section 8 of Part 2 of Schedule 3 to require the issuer to seek MA's consent before setting any redemption deadline on the facility.</p>	
<p><b>Clause-by-clause examination of the Bill</b></p>			
002257 – 002425	Chairman Administration	<p><u>Clause 17 – Part 2A added</u></p> <p><b>Part 2A</b></p> <p><b>Licensing and Supervision of Stored Value Facilities</b></p> <p><b>Division 8 – Exemption</b></p> <p><i>8ZZZB. Stored value facilities exempt from Divisions 2, 3, 4, 5, 6, 7 and 9 of this Part</i></p>	



Time Marker	Speaker	Subject(s)	Action Required
002426 – 003616	Chairman Administration Mr CHAN Chi-chuen Mr NG Leung-sing ALA	<p><u>Clause 53 – Schedules 3 to 9 added</u></p> <p><b>Schedule 8 – Stored Value Facilities Exempt from Divisions 2, 3, 4, 5, 6, 7 and 9 of Part 2A</b></p> <p>Mr CHAN noticed that some mileage programmes allowed members to purchase mileages to top up their accounts or as gift to others. If a mileage programme allowed members to purchase a large amount of mileages with money, he asked whether the programme would be exempted from the licensing and supervision requirements.</p> <p>The Administration responded that, as provided in section 3(b)(ii) and (c) of the proposed Schedule 8, such programmes might possibly be exempt as certain bonus point schemes, under which the sum of money to be paid by the users had to be stored on the facility temporarily for the sole purpose of executing the payments concerned together with the bonus points, and the sum of money so stored was not redeemable for cash. In the event that the SVF was used for a bonus point scheme but did not meet the exemption requirement stipulated in Schedule 8, MA might consider granting exemption to the SVF under the proposed section 8ZZZD if MA was satisfied that the risks posed by the SVF to the payment or financial system of Hong Kong and the users or potential users of the facility were immaterial.</p> <p>In the light of ALA's comments, the Administration agreed to consider deleting the word "現" in the phrase "變現" in the Chinese text of the proposed section 3(c) of Schedule 8.</p> <p>The Chairman sought information on how MA could ensure SVF issuers' compliance with the requirements in sections 4 and 5 of the proposed Schedule 8 (i.e. the float amount of the facility or the aggregate float amount of all facilities of an SVF issuer was below \$1 million) given that such issuers were not required to apply for licences and were exempted from the supervision requirements under CSSO.</p> <p>The Administration explained that MA could require SVF issuers to provide information under</p>	<p>The Administration to take action as paragraph 10 of the minutes</p> <p>The Administration to take action as paragraph 5 of the minutes</p>

Time Marker	Speaker	Subject(s)	Action Required
		<p>the proposed section 8ZZZB to satisfy MA that the requirements in sections 4 and 5 of Schedule 8 were complied with. Such information could include documents showing the float amount of the facility or the aggregate float amount of all facilities of the SVF issuer. In addition, MA would monitor the development of the SVF market in Hong Kong on an on-going basis.</p> <p>On the heading of section 2 of the proposed Schedule 8, ALA pointed out that the Chinese rendition of the word "digital" was usually "數碼" instead of "電子".</p> <p>The Administration agreed to consider replacing the relevant word in the Chinese text as suggested by ALA.</p>	<p>The Administration to take action as paragraph 11 of the minutes</p>
<p>003617 – 005559</p>	<p>Chairman Administration Mr NG Leung-sing Mr CHAN Chi-chuen ALA</p>	<p><u>Clause 17 – Part 2A added</u></p> <p><b>Division 8—Exemption</b></p> <p><i>8ZZZC. Monetary Authority may declare stored value facilities not to be exempt under section 8ZZZB</i></p> <p><i>8ZZZD. Power of Monetary Authority to exempt facility from Divisions 2, 3, 4, 5, 6, 7 and 9 of this Part</i></p> <p><i>8ZZZE. Revocation of exemption under section 8ZZZD</i></p> <p><b>Division 9—Miscellaneous</b></p> <p><i>8ZZZF. Monetary Authority to keep register of licensees</i></p> <p><i>8ZZZG. Use of copy, etc. of register of licensees as evidence</i></p> <p><i>8ZZZH. Winding up of licensee and protection of float</i></p> <p><i>8ZZZI. Display of licence number on stored value facility</i></p>	



Time Marker	Speaker	Subject(s)	Action Required
005600 – 010705	Chairman Administration ALA	<p><u>Clause 18 – Part 2B heading added</u></p> <p><b>Part 2B</b></p> <p><b>Matters Pertaining to Functions and Powers of Monetary Authority</b></p> <p><u>Clause 19 – Section 9 amended (functions of Monetary Authority)</u></p> <p><u>Clause 20 – Section 11 amended (power of Monetary Authority to exempt)</u></p> <p><u>Clause 21 – Section 12 amended (Monetary Authority may request information or documents)</u></p> <p>In view of ALA's comments expressed at previous meetings, the Administration would consider proposing CSAs to provide for penalties on summary conviction.</p> <p><u>Clause 22 – Sections 12A, 12B and 12C added</u></p> <p><i>12A. Monetary Authority may examine books, accounts and transactions</i></p> <p><i>12B. Monetary Authority may require report to be prepared by auditor</i></p> <p><i>12C. Licensee and subsidiary to produce books, etc. for examination</i></p> <p><u>Clause 23 – Section 13 amended (Monetary Authority may give directions)</u></p> <p><u>Clause 24 – Part 3, Division 1 heading amended (interpretation)</u></p> <p><u>Clause 25 – Section 15 heading amended (interpretation)</u></p> <p><u>Clause 26 – Section 16 amended (Monetary Authority may issue certificate of finality)</u></p> <p><u>Clause 27 – Section 30 amended (duty to report on completion of default proceedings)</u></p> <p><u>Clause 28 – Section 31 amended (obligation of participant to notify of bankruptcy or winding up)</u></p>	

Time Marker	Speaker	Subject(s)	Action Required
		<p>The proposed Parts 2B and 3A of CSSO empowered MA or its investigator(s) to request information and explanations, etc. from SVF licensees, system operators of designated systems, and persons in order to facilitate investigation of suspected offences or non-compliance cases. ALA asked if the requested information was privileged (including legal professional privilege ("LPP") and privilege against self-incriminating evidence) and whether the SVF licensees, system operators and persons could refuse to provide such information, as he noted that there were no provisions in the proposed Parts 2B and 3A stipulating such details.</p> <p>The Administration replied that the proposed Parts 2B and 3A did not have the effect of overriding any privilege which might be claimed by SVF licensees, system operators and persons. In addition, given that LPP was a right under the Basic Law, the Administration considered it unnecessary to add a provision regarding the protection of information under LPP.</p> <p>ALA observed that provisions regarding the handling of privileged information were found in other legislation, such as the Securities and Futures Ordinance (Cap. 571) ("SFO"). He opined that adding similar provisions in the Bill could enable the SVF licensees, system operators and persons to better understand their rights on LPP.</p> <p>The Administration was requested to provide supplementary information on the rationale for not expressly provided in the proposed Parts 2B and 3A the right for persons to claim privilege and how MA would handle persons' claims in this respect. As suggested by ALA and the Chairman, the Administration was invited to re-consider the need of setting out such rights in the provisions with reference to similar provisions under SFO.</p> <p>In view of ALA's comments expressed at previous meetings, the Administration would consider proposing CSAs to provide for penalties on summary conviction in the proposed sections 30 and 31 of CSSO.</p>	<p>The Administration to take action as paragraph 7 of the minutes</p>

Time Marker	Speaker	Subject(s)	Action Required
010706 – 011922	Chairman Administration Mr NG Leung-sing ALA	<p><u>Clause 29 – Parts 3A and 3B added</u></p> <p><b>Part 3A</b></p> <p><b>Investigation</b></p> <p><i>33A. Interpretation of Part 3A</i></p> <p><i>33B. Investigation by Monetary Authority</i></p> <p><i>33C. Power of investigator to require production of record or document, etc.</i></p> <p><i>33D. Power of investigator to require answer, etc. be verified by statutory declaration</i></p> <p><i>33E. Report by investigator</i></p> <p>In response to Mr NG's enquiry, the Administration explained that, after the completion of investigation under the proposed Part 3A of CSSO, if it was considered necessary to initiate prosecutions under relevant provisions of CSSO, MA would need to seek the Secretary of Justice's consent in publishing the investigation report which could impact on the legal proceedings.</p> <p><i>33F. Offence for contravention of section 33C or 33D</i></p> <p><i>33G. Investigator may apply to Court of First Instance to inquire into failure to comply with requirement</i></p> <p><i>33H. Use of incriminating evidence in proceedings</i></p> <p><i>33I. Lien claimed on record or document</i></p> <p><i>33J. Issue of magistrate's warrant</i></p> <p><i>33K. Powers of person authorized by warrant, and related offences</i></p> <p><i>33L. Record or document removed by person authorized by warrant</i></p> <p><i>33M. Production of information in information system, etc.</i></p>	

Time Marker	Speaker	Subject(s)	Action Required
		<p><i>33N. Inspection of record or document seized, etc.</i></p> <p><i>33O. Prohibition on destruction, etc. of record or document</i></p> <p>In response to ALA's enquiry, the Administration advised that the proposed section 50 of CSSO required MA, including its appointed investigators, to preserve secrecy with regard to all matters relating to the affairs of any person in the performance of MA's functions under the ordinance.</p>	
<p>011923 – 012610</p>	<p>Chairman Administration ALA</p>	<p><b>Part 3B</b></p> <p><b>Sanctions</b></p> <p><i>33P. Interpretation of Part 3B</i></p> <p><i>33Q. Monetary Authority may impose sanction on regulated person</i></p> <p><i>33R. Procedural requirement for imposing sanction under section 33Q</i></p> <p><i>33S. Payment of pecuniary penalty mentioned in section 33Q(2)(a)</i></p> <p><i>33T. Monetary Authority's power to take further action</i></p> <p><i>33U. Monetary Authority may give public notice of imposition of sanction</i></p> <p><i>33V. Application of sanction in relation to former regulated person</i></p> <p>ALA's comment that the proposed section 33V would provide MA with wide power as the provision had not specified a time limit on MA's power to sanction a former regulated person.</p> <p>The Administration would provide supplementary information on the time limit to take civil actions.</p> <p><i>33W. Application of sanction in relation to officer of corporation</i></p>	<p>The Administration to take action as paragraph 8 of the minutes</p>

Time Marker	Speaker	Subject(s)	Action Required
012611 – 012829	Chairman Administration	<p><u>Clause 30 – Section 33X added</u></p> <p><i>33X. Interpretation of Part 4</i></p> <p><u>Clause 31 – Section 34 amended (establishment of Clearing and Settlement Systems Appeals Tribunal)</u></p> <p><u>Clause 32 – Section 35 amended (review of decisions by Tribunal)</u></p> <p><u>Clause 33 – Section 36 amended (powers of Tribunal)</u></p>	
012830 – 013414	Chairman Administration ALA	<p><u>Clause 52 – Schedule 1 amended (provisions relating to Clearing and Settlement Systems Appeals Tribunal)</u></p> <p><b>Schedule 1 amended (provisions relating to Clearing and Settlement Systems Appeals Tribunal)</b></p> <p><i>Part 2 – Reviewable Decisions</i></p> <p>The Administration's briefing on the list of MA's decisions under CSSO (i.e. Part 2 of the proposed Schedule 1) that were reviewable by the proposed Payment Systems and Stored Value Facilities Appeals Tribunal and those not subject to review by the Appeals Tribunal (i.e. note 1 in paragraph 22 of LC Paper No. CB(1)714/14-15(04)).</p> <p>The Administration advised that the list of reviewable decisions had already covered all decisions of MA which might adversely affect an SVF licensee. The list did not include decisions which an SVF licensee was unlikely to be aggrieved.</p> <p>The Administration was requested to explain why the below decisions, were not included in the list of reviewable decisions –</p> <p>(a) the decision to declare a person not to be a manager of an SVF licensee or a class of persons not to be managers of an SVF licensee; and</p> <p>(b) the decision to revoke the appointment of an "Advisor" and a "Manager" appointed under the proposed sections 8ZG and 8ZH of</p>	<p>The Administration to take action as paragraph 9 of the minutes</p>



Time Marker	Speaker	Subject(s)	Action Required
		<p>CSSO.</p> <p>Upon members' request, the Administration agreed to re-consider the need to include the decisions in (a) and (b) above in the list of reviewable decisions making reference to the relevant provisions in the Banking Ordinance (Cap. 155).</p>	
<p>013415 – 014022</p>	<p>Chairman Administration Mr NG Leung-sing ALA</p>	<p><u>Clause 34 – Section 40 amended (power of Chief Justice to make rules)</u></p> <p><u>Clause 35 – Sections repealed</u></p> <p><u>Clause 36 – Section 45 amended (giving false information to Monetary Authority)</u></p> <p><u>Clause 37 – Section 46 amended (misrepresentation in respect of designated system)</u></p> <p><u>Clause 38 – Section 47 amended (false entry in document)</u></p> <p>In reply to ALA's enquiry, the Administration advised that it would consider proposing CSAs to provide penalties on summary conviction under the proposed section 47 of CSSO.</p> <p><u>Clause 39 – Section 48 amended (liability of company officers)</u></p> <p><u>Clause 40 – Section 49 amended (power of Monetary Authority to make regulations)</u></p> <p>In the light of suggestions from organizations including the Hong Kong Association of Banks and the Octopus Card Ltd., the Administration said that it would consider proposing CSAs to specify the need of MA to consult SVF licensees when making regulations in relation to SVF.</p> <p>In response to Mr NG's enquiry, the Administration explained that according to the Interpretation and General Clauses Ordinance (Cap.1), the word "人" in the Chinese text of the proposed section 49(1) included natural persons, public bodies and corporations.</p>	

Time Marker	Speaker	Subject(s)	Action Required
014023 – 014553	Chairman Administration ALA	<p><u>Clause 41 – Section 50 amended (confidentiality)</u></p> <p>In the light of ALA's comments expressed at previous meetings, the Administration would consider proposing CSAs to provide for penalties on summary conviction under the proposed section 50 of CSSO.</p> <p><u>Clause 42 – Section 51 amended (immunity)</u></p> <p><u>Clause 43 – Section 52 amended (power of Monetary Authority to require information to be given)</u></p> <p>In the light of ALA's comments expressed at previous meetings, the Administration would consider proposing CSAs to provide for penalties on summary conviction under the proposed section 52 of CSSO.</p> <p><u>Clause 44 – Section 53 amended (requirement to give information relating to default)</u></p> <p><u>Clause 45 – Section 54 amended (guidelines)</u></p> <p>In reply to ALA's enquiry, the Administration advised that MA's guidelines issued under the proposed section 54 were not subsidiary legislation. Nonetheless, MA would ensure compliance of SVF licensees and designated system operators with the requirements stipulated in the guidelines through its on-going supervision of SVF and retail payment systems.</p> <p><u>Clause 46 – Section 54A added</u></p> <p><i>54A. Monetary Authority may specify form</i></p> <p><u>Clause 47 – Section 56 amended (service of notices)</u></p> <p><u>Clause 48 – Section 56A added</u></p> <p><i>56A. Recovery of fees and expenses</i></p> <p><u>Clause 49 – Section 57 amended (amendment of Schedules)</u></p> <p><u>Clause 50 – Section 58 amended (notices, etc. as subsidiary legislation)</u></p>	

Time Marker	Speaker	Subject(s)	Action Required
		<p><u>Clause 51 – Section 60 added</u></p> <p><i>60. Savings and transitional provisions relating to Clearing and Settlement Systems (Amendment) Ordinance 2015</i></p> <p><u>Clause 52 – Schedule 1 amended (provisions relating to Clearing and Settlement Systems Appeals Tribunal)</u></p> <p><u>Clause 53 – Schedules 3 to 9 added</u></p> <p><b>Schedule 9 – Saving and Transitional Provisions Relating to Clearing and Settlement Systems (Amendment) Ordinance 2015</b></p>	
014554 – 014553		<p><b>Part 3</b></p> <p><b>Related Amendments</b></p> <p><b>Division 1—Amendments to Banking Ordinance (Cap. 155)</b></p> <p><u>Clause 54 – Section 2 amended (interpretation)</u></p> <p><u>Clause 55 – Section 14A repealed (only authorized institutions may issue, etc. multi-purpose cards)</u></p> <p><u>Clause 56 – Section 15 amended (application for authorization, etc.)</u></p> <p><u>Clause 57 – Section 16 amended (grant or refusal of authorization, etc.)</u></p> <p><u>Clause 58 – Section 23 amended (procedure on and effect of revocation of authorization)</u></p> <p><u>Clause 59 – Section 27 amended (effect of suspension)</u></p> <p><u>Clause 60 – Section 52 amended (powers of Monetary Authority)</u></p> <p><u>Clause 61 – Section 132A amended (appeals)</u></p> <p><u>Clause 62 – Section 153 amended (transitional provisions in relation to Banking (Amendment) Ordinance 1997)</u></p>	

Time Marker	Speaker	Subject(s)	Action Required
		<p><b>Division 2—Amendment to Electronic Transactions Ordinance (Cap. 553)</b></p> <p><u>Clause 63 – Schedule 2 amended (proceedings in relation to which sections 5, 5A, 6, 7 and 8 of this Ordinance do not apply under section 13(1) of this Ordinance)</u></p> <p><b>Division 3—Amendments to Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Cap. 615)</b></p> <p><u>Clause 64 – Section 5 amended (Schedule 2 has effect with respect to financial institutions)</u></p> <p><u>Clause 65 – Section 9 amended (power to enter business premises etc. for routine inspection)</u></p> <p><u>Clause 66 – Section 25 amended (persons to whom this Part does not apply)</u></p> <p><u>Clause 67 – Schedule 1 amended (interpretation)</u></p>	
015202 – 015234	Chairman Administration	Date of next meeting	

Council Business Division 1  
Legislative Council Secretariat  
 10 September 2015