

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

**List of follow-up actions arising from the discussion
at the meeting on 13 April 2015**

Transfer of personal data to place outside Hong Kong

1. The Administration is requested to:
 - (a) address a member's concern about safeguards under the Bill to prevent transfer of personal data to place outside Hong Kong by operators of stored value facilities and retail payment systems ("RPS") before section 33 on "Prohibition against transfer of personal data to place outside Hong Kong except in specified circumstances" of the Personal Data (Privacy) Ordinance (Cap. 486) ("PDPO") comes into operation; and
 - (b) relay the concern to the Constitutional and Mainland Affairs Bureau about the delay in bringing section 33 of PDPO into operation.

Amendments to sections 2 and 6 of the Clearing and Settlement Systems Ordinance (Cap. 584) ("CSSO") (under clauses 5 and 12)

Definition of retail payment system

2. In the light of comment of the Legal Adviser to the Bills Committee, the Administration is requested to consider amending the proposed definition of "retail payment system" in section 2 of CSSO to clarify that the "retail activities" will include retail activities taking place in and outside Hong Kong.

Offences and penalties in respect of obligation to inform Monetary Authority ("MA") of name and address, etc.

3. The proposed new section 6(3) and (4) of CSSO provide for penalties on conviction on indictment for breaching the obligation to inform MA of the name and address, etc. of a payment system operator. Whereas penalties are provided for conviction on indictment and summary conviction in respect of some other offences under the Bill (e.g. contravention of restriction on activities carried out through designated RPS under the proposed new section 6A, and contravention of a condition attached to a consent given by MA for designated RPS under the proposed new section 6B). In the light of comment of Legal Adviser to the Bills Committee, the Administration is requested to consider whether penalties on summary conviction should be provided under the new section 6(3) and (4).