



SECURITIES AND
FUTURES COMMISSION
證券及期貨事務監察委員會

Appendix

Manager-In-Charge Measures

Industry Workshop

Licensing, Intermediaries Division

Topics

- I. Overview**
- II. Submission of MIC Information**
- III. Implementation Details**
- IV. Q&As**



I. Overview



Current Regime

- Fit and proper criteria for intermediaries and individuals under s129 of the SFO
- RO regime under s125 and s126 of the SFO
- Disciplinary powers against regulated persons under Part IX of the SFO (e.g. public reprimand, pecuniary fine, licence suspension)
- The term “Regulated Persons” set out in s194 of the SFO include:
 - ▶ Responsible officers (**ROs**)
 - ▶ Persons involved in management
 - ▶ Representatives
- s3 and s4 and Schedules 2 and 3 of the Securities and Futures (Licensing and Registration)(Information) Rules (**Information Rules**)
- Provisions set out in codes and guidelines including GP9 of the Code of Conduct, the Internal Control Guidelines, AML Guidelines etc.

Summary of the Measures

- Provide guidance on who should be regarded as senior management of an licensed corporation (**LC**)
- Identify eight core functions (**Core Functions**) and require LCs to designate a Manager-In-Charge for each
- Specify a **statutory form** (**Form**) for an LC to notify the SFC of its appointed Managers-In-Charge of Core Functions (**MICs**)
- LCs to re-submit the Form together with an updated organizational chart when there is a change in these MICs
- MICs of certain Core Functions (**Overall Management Oversight** and **Key Business Line**) to become ROs

Who is Senior Management of an LC

- They include, but not limited to, the following persons:-
 - ▶ Directors of the LC
 - ▶ ROs of the LC; and
 - ▶ MICs – Managers principally responsible for managing one or more Core Functions and reporting directly to the LC’s Board or its MIC of Overall Management Oversight (**MIC of OMO**)

These individuals are “regulated persons” (which include all persons involved in the management of the business of an LC, regardless of whether they are licensed)



Roles of an LC's Board of Directors

- **An LC's Board has the ultimate responsibility for delegated decisions and is required to have systems and controls in place to supervise those who act under the delegated authority**
- **The Board should adopt a formal document setting out clearly:-**
 - ▶ The management structure of the LC, and
 - ▶ The senior management personnel deployed, including their role, responsibilities and reporting lines
- **Certain key information of the adopted management structure should be submitted to SFC**



Core Functions of an LC

- We identified the following functions to be led by at least one fit and proper MIC:-



Core Functions of an LC (2)

Overall Management Oversight

- A function responsible for directing and overseeing the effective management of the overall operations of an LC *on a day-to-day basis*
- Key responsibilities may include:-
 - ▶ developing the business model and associated objectives, strategies, plans, organizational structure, controls and policies;
 - ▶ developing and promoting sound corporate governance practices, culture and ethics; and
 - ▶ executing and monitoring the implementation of Board-approved business objectives, strategies, and plans and the effectiveness of organizational structure and controls

Example: Chief Executive Officer, President



Core Functions of an LC (3)

Key Business Line

- A function responsible for directing and overseeing a line of business which comprises *one or more types of regulated activities*

Example: Chief Investment Officer, Head of Corporate Finance, Head of Equity, Chief Rating Analyst

Operational Control & Review

- A function responsible for:-
 - ▶ establishing and maintaining adequate and effective systems of controls over an LC's operations;
 - ▶ reviewing the adherence to, and the adequacy and effectiveness of, an LC's internal control systems

Example: Chief Operating Officer, Head of Operations, Head of Internal Audit



Core Functions of an LC (4)

Risk Management

- A function responsible for the identification, assessment, monitoring, and reporting of risks arising from an LC's operations

Example: Chief Risk Officer, Head of Risk Management

Finance & Accounting

- A function responsible for ensuring the timely and accurate financial reporting and analyses of the operational results and financial positions of an LC

Example: Chief Finance Officer, Financial Controller, Finance Director

Information Technology

- A function responsible for the design, development, operation and maintenance of computer systems for an LC

Example: Chief Information Officer, Head of Information Technology



Core Functions of an LC (5)

Compliance

- **A function responsible for:-**
 - ▶ setting the policies and procedures for adherence to legal and regulatory requirements in the jurisdiction(s) where an LC operates;
 - ▶ monitoring an LC's compliance with these policies and procedures;
 - ▶ reporting on compliance matters to the Board and senior management

Example: Chief Compliance Officer, Head of Legal & Compliance

Anti-Money Laundering and Counter-Terrorist Financing

- **A function responsible for establishing and maintaining internal control procedures to protect an LC against involvement in money laundering/terrorist financing**

Example: Head of Financial Crime Compliance, Money Laundering Reporting Officer



Core Functions of an LC (6)

Points to Note

- **Many larger or multinational LCs may have more complex management and reporting structure**
 - ▶ Our primary focus is on the managerial staff who have sufficient authority and are closely involved in managing the day-to-day operations of an LC
 - ▶ These managerial staff should be reporting directly to the Board or the MIC of OMO of the LC, on top of other reporting lines (if any)
 - ▶ The same Core Function may be headed by more than one MIC



Core Functions of an LC (7)

Points to Note (Continued)

- **It is not our intention to require localization of all MIC positions**
 - ▶ An LC's Board is ultimately responsible for implementing effective systems and controls to supervise those who act (either onshore or offshore) under the delegated authority
- **For an LC in which its scale of operation and number of staff members are relatively small, the SFC recognises that it may:-**
 - ▶ appoint the same manager to lead multiple Core Functions
 - ▶ outsource certain Core Functions to external service providers, as long as there is at least one fit and proper MIC (who holds a position of authority within the LC) to supervise the outsourced functions



Examples of an MIC's Key Attributes

- **Accountability for the performance or achievement of business objectives or targets set by the Board or the MIC of OMO of the LC;**
- **Occupying a position within the LC which is of sufficient authority as to enable the individual to exert a significant influence on the conduct of the Core Function in question;**
- **Authority to make decisions (e.g. assume business risks within pre-set parameters or limits) for that Core Function;**
- **Authority to allocate resources or incur expenditures in connection with the particular department, division or unit carrying on the Core Function in question;**
- **Authority to represent the particular department, division or unit carrying on the Core Function in question within the LC (e.g. in senior management meetings) or in meetings with outside parties**

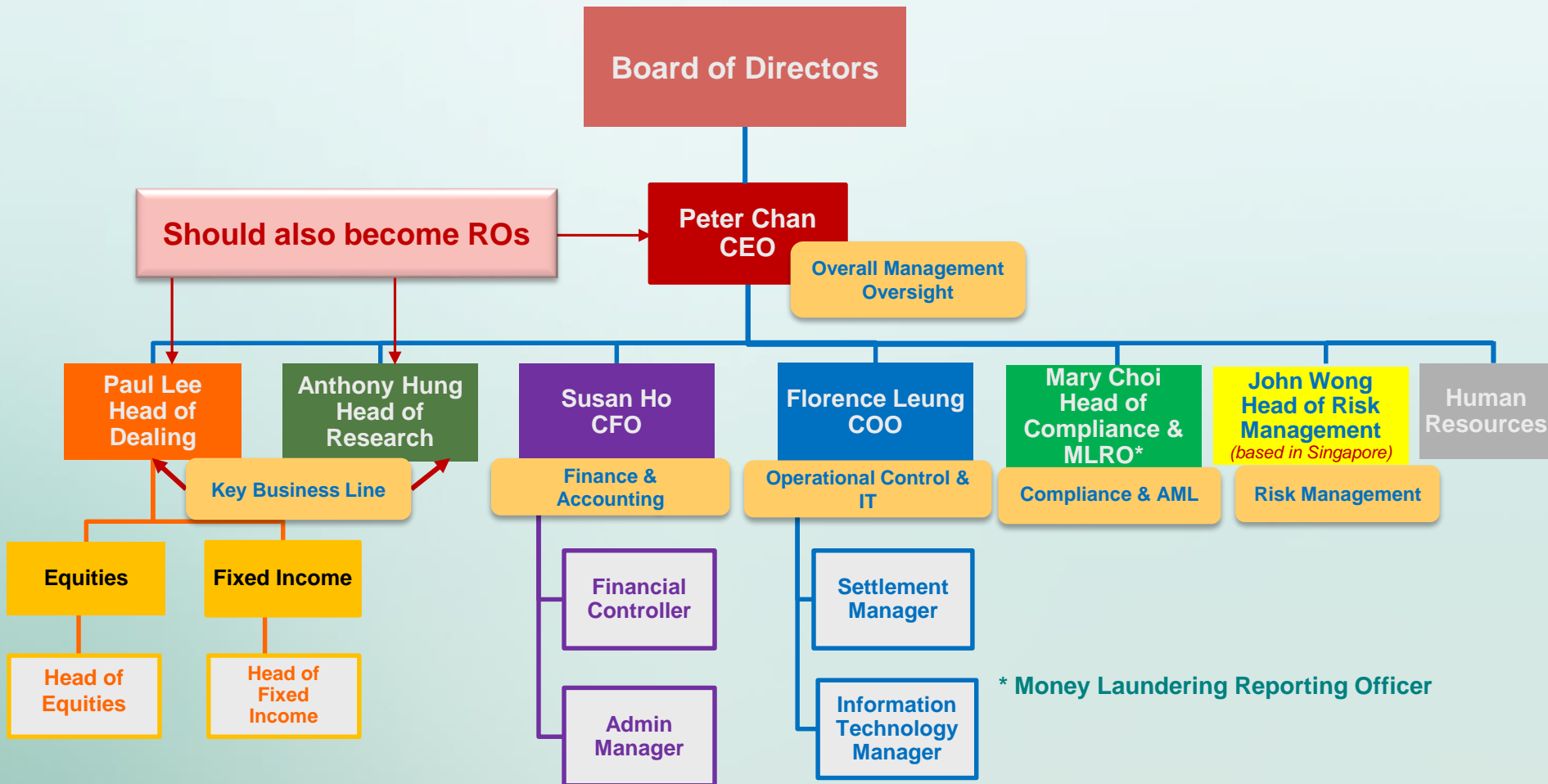
Better Alignment with the RO Regime

- In light of their active participation in or direct supervision of the LC's business in regulated activities, MICs who assume any of the following two Core Functions:-
 - ▶ Overall Management Oversight
 - ▶ Key Business Line

should be appointed as ROs **in respect of the particular regulated activities they oversee**

- MICs who do not carry on any regulated activities (e.g. Chief Finance Officer, Chief Compliance Officer) are not expected to become ROs or licensed representatives
 - ▶ *For avoidance of doubt, there will be no regulatory approval or examination requirements for these MICs*
- We will provide transitional period for LCs to implement this initiative

Illustrative Example – MIC Securities Limited



II. Submission of MIC Information



Submission of MIC Information

	Information	SFC Portal	Paper Form
Corporate Licence Applicants	MIC information and organizational chart	Y	Y
Existing LCs	MIC information and organizational chart	Y	

Submission of MIC Information (2)

Points to Note

- **An LC should provide the following information in a standard template for each MIC:-**
 - ▶ His/her full name;
 - ▶ His/her identification information;
 - ▶ His/her job title;
 - ▶ His/her place of residence (country/region);
 - ▶ Core Function(s) that he or she is principally responsible for; and
 - ▶ His/her reporting line(s)
- **The organizational chart to be submitted is expected to:-**
 - ▶ depict an LC's corporate hierarchy and its **business and operational units**
 - ▶ illustrate the positions of **all MICs identified for Core Functions, their reporting lines** and **the personnel reporting directly to them**



Information Submission Flow – Existing LCs

First Submission



Submission of MIC Information Via the SFC Portal



SFC Online Portal

Login


Please input your username and password to login.

Username:

Password:

Login

Clear



Log-In to your
online portal
account

[Forgot your username and/or password?](#) [Creation of Self-registered Portal Account](#)

You may create an account if you do not have one.

Note: If you already have a set of username and password to log in to this portal, you can proceed to use your existing account without the need to open a self-registered account.

Opening a Self-registered Account on the SFC Online Portal


Who should open a Self-registered Account?

Any person who does not have a portal account (e.g. law firm employees, compliance officers and secretaries) but would like to (i) complete and submit online licensing application forms and/or (ii) become a delegate of an SFC licensee to fill out Notifications and/or Annual Returns and/or (iii) use the SFC Online Portal functions as being invited by Commission or appointed by those invitees may open a Self-registered Account.

Important Note

Please note that the username and password of an authorised user must remain in his/her own possession and control, and be used solely by himself/herself to login to the SFC Online Portal. In particular, such username and password must not be given or surrendered to his/her principal(s), employer(s) and/or any other third party(ies) for submission of information and/or documents to the SFC on behalf of the authorised user. Any improper use of usernames and passwords for the SFC Online Portal shall affect our view of the fitness and propriety of the corporate and/or individual licensee(s) concerned and may bring serious consequences.

Step 1 – Input MIC Data



SECURITIES AND
FUTURES COMMISSION
證券及期貨事務監察委員會

Change Password | Security Tips | Contact Us | 中文 **Logout**

Message Box (19) | **Licensing** | Supervision | Investment Products | Payment

Home > Licensing > Notification

Welcome,
You are operating the account of: MIC Securities Limited

Profile

Notification

- Name
- Auditor
- Contact Information
- Cessation of Business
- **Managers-In-Charge of Core Functions**
- **Organizational Structure**
- Responsible Officer(s)
- Licensee Representative(s)
- Shareholder Structure

[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Warning:

You must fill in this form accurately and truthfully. Section 384(1) of the Securities and Futures Ordinance states:

"A person commits an offence if -

(a) he, in purported compliance with a requirement to provide information imposed by or under any of the relevant provisions, provides to a specified recipient any information which is false or misleading in a material particular; and

(b) he knows that, or is reckless as to whether, the information is false or misleading in a material particular."

The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years.

Type of Notification	Modified By	Last Modified (dd/mm/yyyy)	Delete Record?
----------------------	-------------	----------------------------	----------------

Two new items added

- Associated Entity(ies)
- Complaints Officer(s)
- Emergency Contact Person(s)

Step 1 – Input MIC Data (2)

■ Click “Input of New Manager-In-Charge”

Click “Input of New Manager-In-Charge”

Managers-In-Charge of Core Functions

Please provide the names of the individuals you have appointed as your Managers-In-Charge of Core Functions (see appended [Explanatory Notes](#))

[+ Input of New Manager-In-Charge](#)

Nil

Note:

1. For each Core Function, you should appoint at least one individual as your Manager-In-Charge of Core Function responsible for managing that function. You may appoint one individual to act as the Manager-In-Charge of Core Functions for several Core Functions where appropriate considering your scale of operations and control measures. You may also appoint two or more individuals as Managers-In-Charge of Core Function(s) to jointly manage a particular Core Function.

(a) he, in purported compliance with a requirement to provide information imposed by or under any of the relevant provisions, provides to a specified recipient any information which is false or misleading in a material particular; and

(b) he knows that, or is reckless as to whether, the information is false or misleading in a material particular."

The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years.

Type of Notification	Modified By	Last Modified (dd/mm/yyyy)	Delete Record?
----------------------	-------------	----------------------------	----------------

Step 1 – Input MIC Data (3)

Notification

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)
- Shareholding Structure
- Director(s)
- Share Capital
- Bank Account(s)
- Associated Entity(ies)
- Complaints Officer(s)
- Emergency Contact Person(s)
- Cessation of Associated Entity (ies)
- Becoming an Associated Entity (ies)
- Others

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

Change in Contact Information

User Guide

Online Demo

FAQs

Forms

Mandatory for holder of Hong Kong Identity Card
^ Mandatory for non-holder of Hong Kong Identity Card

Managers-In-Charge of Core Functions

Full Name in English *:

Surname First/Other Name

Full Name in Chinese:

Hong Kong Identity Card Number *:

e.g. A 123456 3

Passport Number *:

Date of Expiry (dd/mm/yyyy) *:

Passport issuing country *:

CE Number:

(if the individual is or has been licensed by the Commission)

Place of Residence *: Country / Region:

Job Title *:

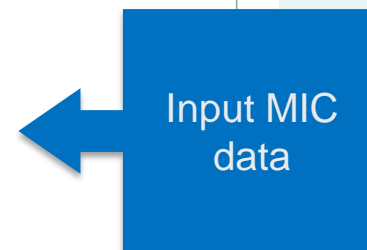
[Input of Core Function](#)

Core Function(s) the individual is principally responsible for managing	Description ³	Report

Please provide the reason(s) for late notification here.

Note:

- The job title should indicate an individual's position and his or her particular business or operational area (eg, Chief Executive Officer, Chief Investment Officer, Chief Administrative Officer, Head of Risk Management, Head of Corporate Finance).
- Please state the individual's reporting line(s) within your corporation (and, if applicable, within your corporate group) in respect of the relevant Core Function(s). For example, reports to (i) the Board of Directors or Chief Executive Officer of your corporation and (ii) the Head of Global Risk Management of your group.
- If the individual is in charge of two or more key business lines of the corporation, please state each of the relevant business lines, his or her reporting line(s) and the corresponding effective date for each business line.



Step 1 – Input MIC Data (4)

Core Function
* Mandatory field(s):

Core Function(s) the individual is principally responsible for managing *:

Effective Date *:

Reports To¹ *:

Note:

1. Please state the individual's reporting line (e.g., Chief Executive Officer, Director, etc.) within your corporate group) in respect of the relevant function. If the individual reports to the Directors or Chief Executive Officer of your group, please state the function of the individual, if applicable, within your corporate group. If the individual reports to (i) the Board of Directors or (ii) the Board of Global Risk Management, please state the function of the individual, if applicable, within your corporate group.

Overall Management Oversight

Key Business Line

Operational Control and Review

Risk Management

Finance and Accounting

Information Technology

Compliance

Anti-money Laundering and Counter-Terrorist Financing

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

Step 1 – Input MIC Data (5)

Functions

- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)
- Shareholding Structure
- Director(s)
- Share Capital
- Bank Account(s)
- Associated Entity(ies)
- Complaints Officer(s)
- Emergency Contact Person(s)
- Cessation of Associated Entity (ies)
- Becoming an Associated Entity (ies)
- Others

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

Change in Contact

Core Function

* Mandatory field(s):

Core Function(s) the individual is principally responsible for managing *:

Key Business Line X

Description ² *:

Effective Date *:

Reports To¹ *:

Confirm

After input all data, click "Confirm"

Note:

- Please state the individual's reporting line(s) within your corporation (and, if applicable, within your corporate group) in respect of the relevant Core Function(s). For example, reports to (i) the Board of Directors or Chief Executive Officer of your corporation and (ii) the Head of Global Risk Management of your group.
- If the individual is in charge of two or more key business lines of the corporation, please state each of the relevant business lines, his or her reporting line(s) and the corresponding effective date for each business line.

Step 1 – Input MIC Data (6)

Notification

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)
- Shareholding Structure
- Director(s)
- Share Capital
- Bank Account(s)
- Associated Entity(ies)
- Complaints Officer(s)
- Emergency Contact Person(s)
- Cessation of Associated Entity (ies)
- Becoming an Associated Entity (ies)
- Others

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

Change in Contact Information

User Guide

Online Demo

FAQs

Forms

Mandatory for holder of Hong Kong Identity Card
^ Mandatory for non-holder of Hong Kong Identity Card

Managers-In-Charge of Core Functions

Full Name in English *: CHAN Peter
Surname First/Other Name

Full Name in Chinese:

Hong Kong Identity Card Number*: A 123456 (3)
e.g. A 123456 3

Passport Number*:

Date of Expiry (dd/mm/yyyy)*:


Passport issuing country*:

CE Number: ABC123
(if the individual is or has been licensed by the Commission)

Place of Residence*: Country / Region: Hong Kong Please specify here.

Job Title* *: CEO

[Input of Core Function](#)

	Core Function(s) the individual is principally responsible for managing	Description ³	Reports To ²
	Overall Management Oversight		Board of Directors

Please provide the reason(s) for late notification here.

[Save as draft](#) [Cancel](#)

Note:

- The job title should indicate an individual's position and his or her particular business or operational area (eg, Chief Executive Officer, Chief Investment Officer, Chief Administrative Officer, Head of Risk Management, Head of Corporate Finance).
- Please state the individual's reporting line(s) within your corporation (and, if applicable, within your corporate group) in respect of the relevant Core Function(s). For example, reports to (i) the Board of Directors or Chief Executive Officer of your corporation and (ii) the Head of Global Risk Management of your group.
- If the individual is in charge of two or more key business lines of the corporation, please state each of the relevant business lines, his or her reporting line(s) and the corresponding effective date for each business line.

If everything is in order,
click "Save as draft"

Step 2 – Upload Organizational Chart

Notification (6)

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure**
- Responsible Officer(s)
- Licence Representative(s)
- Shareholder Structure

Complaints Officer(s)

Emergency Contact Person(s)

Cessation of Associated Entity (ies)

Becoming an Associated Entity (ies)

Others

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Warning:

You must fill in this form accurately and truthfully. Section 384(1) of the Securities and Futures Ordinance states:

"A person commits an offence if -

(a) he, in purported compliance with a requirement to provide information imposed by or under any of the relevant provisions, provides to a specified recipient any information which is false or misleading in a material particular; and

(b) he knows that, or is reckless as to whether, the information is false or misleading in a material particular."

The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years.

Type of Notification	Modified By	Last Modified (dd/mm/yyyy)	Delete Record?
<div>Change in Manager In Charge (New)</div> <div><div>CHAN Peter</div><div>LEE Paul</div><div>HO Susan</div><div>HUNG Anthony</div><div>LEUNG Florence</div><div>CHOI Mary</div></div>			<div>Delete</div> <div>Delete</div> <div>Delete</div> <div>Delete</div> <div>Delete</div> <div>Delete</div>

Input of New Manager-in-Charge record has been saved.

Submit

Click "Organizational Structure"

Step 2 – Upload Organizational Chart (2)

Click “Input / Amendment of Organizational Structure”

The screenshot displays the SFC (Securities and Futures Commission) portal interface. On the left, a sidebar menu lists various sections: Profile, Notification (1), Name, Auditor, Contact Information, Cessation of Business, Managers-In-Charge of Functions, Organizational Structure, Responsible Officer(s), Licence Representative, Shareholding Structure, Director(s), Share Capital, Bank Account(s), Associated Entity(ies), Complaints Officer(s), Emergency Contact Person, Cessation of Associate (ies), Becoming an Associate (ies), and Others. The main content area is titled "Organizational Structure" and contains the instruction: "Please attach an organizational chart depicting your management and governance structure, business and operational units and key human resources and their respective reporting lines." Below this instruction is a button labeled "Input / Amendment of Organizational Structure". A "Note:" section follows, containing two numbered points: 1. The organizational chart you submit should include all your Managers-In-Charge of Core Functions and their respective reporting lines (ie, the job titles of the persons to whom they report within your corporation and, if applicable, within your corporate group). It should also include the job titles of the persons reporting directly to them in relation to your operations. 2. You should inform, and obtain acknowledgement from, each of your Managers-In-Charge of Core Functions regarding (a) his or her appointment as your Manager-In-Charge and (b) the particular Core Function(s) for which he or she is principally responsible.

Step 2 – Upload Organizational Chart (3)

Click “Attach a copy of Organizational Chart” to attach the organizational chart


Notification (1)

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)

* Mandatory field(s)

Organizational Structure

Organizational Chart *

 [Attach a copy of Organizational Chart](#)

Effective Date *

Input “Effective Date”

Save as draft

Cancel

If everything is in order,
click “Save as draft”

Step 3 – Submission of Information

Notification (8)

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)
- Shareholding Structure
- Director(s)
- Share Capital
- Bank Account(s)
- Associated Entity(ies)
- Complaints Officer(s)
- Emergency Contact Person(s)
- Cessation of Associated Entity (ies)
- Becoming an Associated Entity (ies)
- Others

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

Change in Contact

[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Warning:

You must fill in this form accurately and truthfully. Section 384(1) of the Securities and Futures Ordinance states:

"A person commits an offence if -

(a) he, in purported compliance with a requirement to provide information imposed by or under any of the relevant provisions, provides to a specified recipient any information which is false or misleading in a material particular; and

(b) he knows that, or is reckless as to whether, the information is false or misleading in a material particular."

The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years.

Type of Notification	Modified By	Last Modified (dd/mm/yyyy)	Delete Record?
Change in Manager-In-Charge (New)			
Change in Organizational Chart			

Change in Organizational Structure record has been saved.

If everything is in order, RO to click "Submit"

Submit

The draft notification will be shown in the Notification Summary page

Step 3 – Submission of Information (2)

The screenshot displays a web application for submitting information. On the left is a sidebar menu with the following items: Share Capital, Bank Account(s), Associated Entity(ies), Complaints Officer(s), Emergency Contact Person(s), Cessation of Associated Entity (ies), Becoming an Associated Entity (ies), Others, Annual Return, and Submission History. The main content area features a warning banner at the top: "The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years." Below this is a confirmation dialog box. The dialog box contains the text: "On behalf of MIC Securities Limited, I confirm that each individual whose particulars are contained in 'Managers-In-Charge of Core Functions' section has been informed of and acknowledges (a) his or her appointment as a Manager-In-Charge of Core Function(s) of the corporation and (b) the particular Core Function(s) for which he or she is principally responsible." At the bottom of the dialog box are two buttons: "Confirm" (highlighted in green) and "Cancel". A red arrow points from a red text box below the dialog box to the "Confirm" button.

Share Capital

Bank Account(s)

Associated Entity(ies)

Complaints Officer(s)

Emergency Contact Person(s)

Cessation of Associated Entity (ies)

Becoming an Associated Entity (ies)

Others

Annual Return

Submission History

The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years.

On behalf of MIC Securities Limited, I confirm that each individual whose particulars are contained in "Managers-In-Charge of Core Functions" section has been informed of and acknowledges (a) his or her appointment as a Manager-In-Charge of Core Function(s) of the corporation and (b) the particular Core Function(s) for which he or she is principally responsible.

Confirm Cancel

If everything is in order, RO to click "Confirm"

Viewing Updated MIC Information

Click
"Profile"

Profile

Notification

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

Change in Contact Information

User Guide

Online Demo

FAQs

Forms

Note: Not all items below can be modified by submitting a notification online. You may be required to submit an application form and/or Supplement in the Application Folder for such purpose. Please change the option to access the Application Folder.

[Contact Intermediaries Case Officer](#)

Profile of MIC Securities Limited

General Licence Information Controller, Senior Management & Other Personnel Share Capital & Bank Account Associated Entity Other Contacts

Shareholding Structure

[Change in Shareholding Structure](#)

Ultimate Holding Company

Substantial Shareholder(s)

Director(s)

[Appointment of Director\(s\)](#)

Name	CE Number	Appointment Date (dd/mm/yyyy)
------	-----------	-------------------------------

Managers-In-Charge of Core Functions

Please provide the names of the individuals you have appointed as your Managers-In-Charge of Core Functions (see the appended [Explanatory Notes](#))

[Input of New Manager-In-Charge](#)

English Name	Chinese Name	Core Function ¹
CHAN Peter		Overall Management Oversight (16/02/2017)
CHOI Mary		Compliance (16/02/2017)

Choose "Controller, Senior Management & Other Personnel"

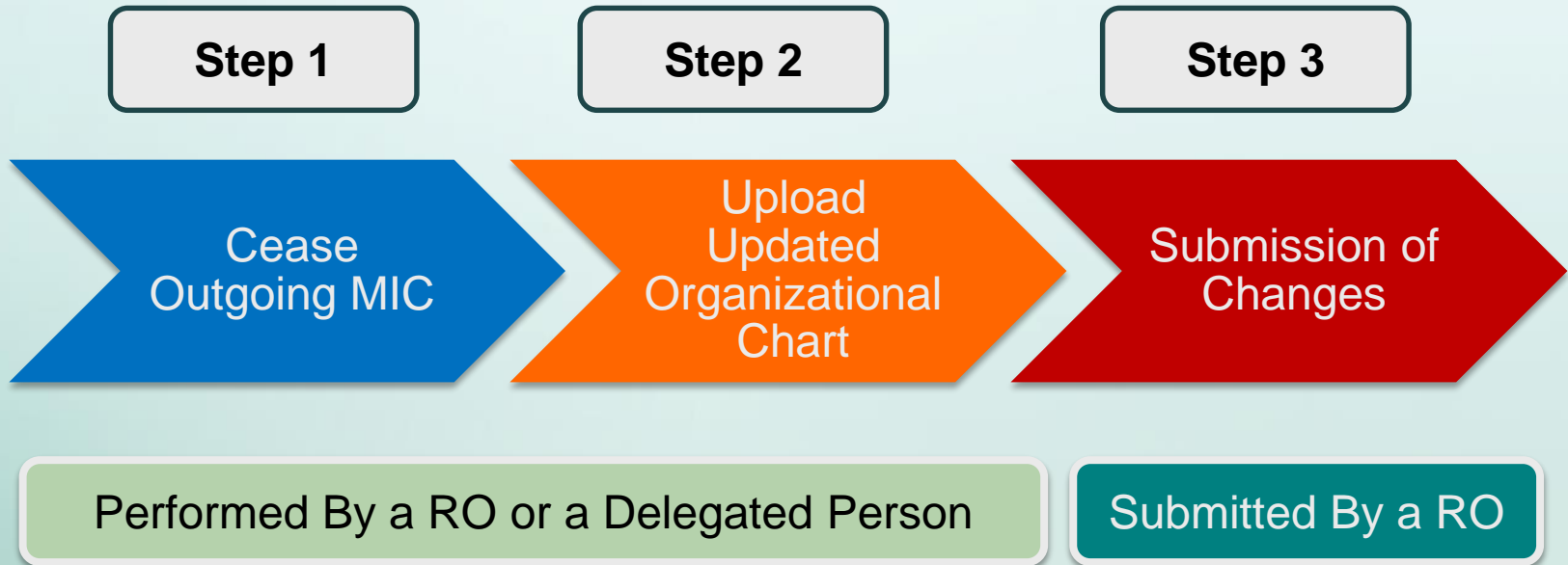
After system processing, the MIC information will be shown in "Profile"

Information Submission Flow – Existing LCs

Outgoing MICs



Submission of MIC Information Via the SFC Portal



Step 1 – Cease Outgoing MIC

The screenshot displays the SFC portal interface. At the top, there are links for 'Change Password', 'Security Tips', 'Contact Us', and a 'Logout' button. The SFC logo and name are on the left. A navigation bar contains 'Message Box (19)', 'Licensing', 'Supervision', 'Investment Products', and 'Payment'. Below this, a breadcrumb trail shows 'Home > Licensing > Notification'. A welcome message and a dropdown menu for the account (currently showing 'MIC Securities Limited') are also present.

On the left sidebar, under the 'Profile' section, the 'Notification' sub-section is active. A red box highlights the 'Managers-In-Charge of Core Functions' item, with a blue arrow pointing to it from a callout box. The callout box contains the text: 'Click “Managers-In-Charge of Core Functions”'.

The main content area shows a warning message: '[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)] Warning: You must fill in this form accurately and truthfully. Section 384(1) of the Securities and Futures Ordinance states: "A person commits an offence if - (a) he, in purported compliance with a requirement to provide information imposed by or under any of the relevant provisions, provides to a specified recipient any information which is false or misleading in a material particular; and (b) he knows that, or is reckless as to whether, the information is false or misleading in a material particular." The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years.'

At the bottom, a table header is visible with columns: 'Type of Notification', 'Modified By', 'Last Modified (dd/mm/yyyy)', and 'Delete Record?'.

Step 1 – Cease Outgoing MIC (2)

- The list of names of existing MICs will appear.

[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Warning:

Managers-In-Charge of Core Functions

Please provide the names of the individuals you have appointed as your Managers-In-Charge of Core Functions (see the appended [Explanatory Notes](#))

+ Input of New Manager-In-Charge

			English Name	Chinese Name	Core Function ¹
	✖	+	CHAN Peter		Overall Management Oversight (16/02/2017)
	✖	+	CHOI Mary		Compliance (16/02/2017)
	✖	+	CHOI Mary		Anti-money Laundering and Counter-Terrorist Financing (16/02/2017)
	✖	+	HO Susan		Finance and Accounting (16/02/2017)
	✖	+	LEE Paul		Key Business Line (Equities) (16/02/2017)
	✖	+	LEUNG Florence		Information Technology (16/02/2017)
	✖	+	LEUNG Florence		Operational Control and Review (16/02/2017)
	✖	+	WONG John		Risk Management (16/02/2017)

Note:

1. For each Core Function, you should appoint at least one individual as your Manager-In-Charge of Core Function responsible for managing that function. You may appoint one individual to act as the Manager-In-Charge of Core Functions for several Core Functions where appropriate considering your scale of operations and control measures. You may also appoint two or more individuals as Managers-In-Charge of Core Function(s) to jointly manage a particular Core Function.

Click the ✖ button next to the name of the *outgoing MIC*

Step 1 – Cease Outgoing MIC (3)

Notification

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)
- Shareholding Structure
- Director(s)
- Share Capital
- Bank Account(s)
- Associated Entity(ies)
- Complaints Officer(s)
- Emergency Contact Person(s)
- Cessation of Associated Entity (ies)
- Becoming an Associated Entity (ies)
- Others

Annual Return

Submission History

Cessation on Managers-In-Charge

Full Name in English:

LEUNG FLORENCE

Full Name in Chinese:

Job Title:

COO

Core Function(s) the individual is principally responsible for managing:

Information Technology

Reports To:

CEO

Reason(s) for Cessation *:

Cessation Date (dd/mm/yyyy) *:

Please provide the reason(s) for late notification here.

Save as draft

Input the reason for cessation and the cessation date

After input all data, click "Save as draft"

- In case of late notification, a dialogue box will pop up for inputting the reason(s)

Step 2 – Upload Updated Organizational chart

The screenshot shows the 'Organizational Structure' page of the Securities and Futures Commission (SFC) portal. On the left is a sidebar with a 'Notification (1)' section containing a list of items. One item, 'Organizational Structure', is highlighted with a red rectangular box. An orange arrow points from this box to a large orange callout box at the bottom left that contains the text 'Click “Organizational Structure”'. The main content area is titled 'Organizational Structure' and includes a paragraph: 'Please attach an organizational chart depicting your management and governance structure, business and operational units and key human resources and their respective reporting lines.' Below this is a link labeled 'Input / Amendment of Organizational Structure' with a gear icon. An orange callout box at the top right points to this link and contains the text 'Click “Input/Amendment of Organizational Structure”'. The right side of the page shows a 'Payment' section with a date 'Last Login : 01/02/2017 17:21' and a 'Delete Record?' button.

Organizational Structure

Please attach an organizational chart depicting your management and governance structure, business and operational units and key human resources and their respective reporting lines.

[Input / Amendment of Organizational Structure](#)

Note:

1. The organizational chart you submit should include all your Managers-In-Charge of Core Functions and their respective reporting lines (ie, the job titles of the persons to whom they report within your corporation and, if applicable, within your corporate group). It should also include the job titles of the persons reporting directly to them in relation to your operations.
2. You should inform, and obtain acknowledgement from, each of your Managers-In-Charge of Core Functions regarding (a) his or her appointment as your Manager-In-Charge and (b) the particular Core Function(s) for which he or she is principally responsible.

Notification (1)

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Functions
- **Organizational Structure**
- Responsible Officer(s)
- Public Representative
- Holding Structure
- Director(s)
- Capital

Payment

Last Login : 01/02/2017 17:21

Delete Record?

Step 3 – Submission of changes

- In the Notification Summary Page, it will list out the type(s) of notifications created

Notification (2)

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)
- Shareholding Structure
- Director(s)
- Share Capital
- Bank Account(s)
- Associated Entity(ies)
- Complaints Officer(s)
- Emergency Contact Person(s)
- Cessation of Associated Entity (ies)
- Becoming an Associated Entity (ies)
- Others

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Warning:

You must fill in this form accurately and truthfully. Section 384(1) of the Securities and Futures Ordinance states:

"A person commits an offence if -

(a) he, in purported compliance with a requirement to provide information imposed by or under any of the relevant provisions, provides to a specified recipient any information which is false or misleading in a material particular; and

(b) he knows that, or is reckless as to whether, the information is false or misleading in a material particular."

The punishment for this offence is a fine of up to \$1 million and imprisonment for up to 2 years.

Type of Notification	Modified By	Last Modified (dd/mm/yyyy)	Delete Record?
<input type="checkbox"/> Change in Manager-In-Charge (Existing)			
<input type="checkbox"/> Change in Organizational Chart			

If everything is in order, RO to click "Submit"

Submit

Other MIC Changes

- **Change of key business line function**
- **Change of an MIC's Core Function**
- **Change in static data of an MIC (e.g. job title, place of residence, reporting line)**

Making Other Changes to MIC information

Notification

- Name
- Auditor
- Contact Information
- Cessation of Business
- Managers-In-Charge of Core Functions
- Organizational Structure
- Responsible Officer(s)
- Licence Representative(s)
- Shareholding Structure
- Director(s)
- Share Capital
- Bank Account(s)

Annual Return

Submission History

E-mail address for notifying Annual Return/Notification submission

User Delegation

Change in Contact Information

[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Warning:

Managers-In-Charge of Core Functions

Please provide the names of the individuals you have appointed as your Managers-In-Charge of Core Functions (see the appended [Explanatory Notes](#))

+ Input of New Manager-In-Charge

			English Name	Chinese Name	Core Function ¹
	✗	+	CHAN Peter		Overall Management Oversight (16/02/2017)
	✗	+	CHOI Mary		Compliance (16/02/2017)
	✗	+	CHOI Mary		Anti-money Laundering and Counter-Terrorist Financing (16/02/2017)
	✗	+	HO Susan		Finance and Accounting (16/02/2017)
	✗	+	LEE Paul		Key Business Line (Equities) (16/02/2017)
	✗	+	LEUNG Florence		Information Technology (16/02/2017)
	✗	+	LEUNG Florence		Operational Control and Review (16/02/2017)
	✗	+	WONG John		Risk Management (16/02/2017)

Note:

1. For each Core Function, you should appoint at least one individual as your Manager-In-Charge of Core Function responsible for managing that function. You may appoint one individual to act as the Manager-In-Charge of Core Functions for several Core Functions where appropriate considering your scale of operations and control measures. You may also appoint two or more individuals as Managers-In-Charge of Core Function(s) to jointly manage a particular Core Function.

Click the relevant functional buttons

44

Information Submission Flow – Corporate Applicants

Applications (Paper Forms)




New Section in Supplement 8

Section 3: Managers-In-Charge of Core Functions

This section is ONLY applicable to corporations applying for a licence under section 116(1) of the Securities and Futures Ordinance (ie, not applicable to corporations applying to become temporary licensed corporations or registered institutions). If you are an existing licensed corporation applying for addition of regulated activity, you are not required to complete this section. However, you should notify the Commission of any changes in your Managers-In-Charge of Core Functions via the SFC Online Portal (see paragraph 3.6).

- 3.1 Please provide the names of the individuals you have appointed as your Managers-In-Charge of Core Functions (see the Explanatory Notes), below.

Core Functions	Names of Managers-In-Charge
Overall Management Oversight	
Key Business Line	
Operational Control and Review	
Risk Management	
Finance and Accounting	
Information Technology	
Compliance	
Anti-Money Laundering and Counter-Terrorist Financing	



Summary of
All Proposed
MICs of Core
Functions

Supplement 8A – Section 1

Section 1: Particulars of Manager-In-Charge of Core Function(s)

Please provide the particulars of the individual you have appointed to be principally responsible for managing any of your Core Functions (see the Explanatory Notes appended to Supplement 8 for details). If you have appointed two or more individuals to act as your Managers-In-Charge of Core Functions, please submit a separate Supplement 8A for each of them.

Full name in English

Surname

First

Middle

Full name in Chinese

HK identity card number

								()
--	--	--	--	--	--	--	--	-----

Passport number*

Date of expiry*

dd

/

mm

/

yyyy

Passport issuing country*

CE number (if the individual is or has been licensed by the Commission)

Place of residence

Country / Region

Job title²

* Only applicable to a non-Hong Kong permanent resident.

Supplement 8A – Section 1 (2)

Core Function(s) the individual is principally responsible for managing (Please tick "✓" where applicable.)	Reports to (Please state the individual's reporting line(s) ³ within your corporation (and, if applicable, within your corporate group) in respect of the relevant Core Function(s).)	Effective date	Proposed responsible officer ⁴
<input type="checkbox"/> Overall Management Oversight			<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Key Business Line ⁵ <i>Please specify:</i> _____ _____			<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Operational Control and Review			
<input type="checkbox"/> Risk Management			
<input type="checkbox"/> Finance and Accounting			
<input type="checkbox"/> Information Technology			
<input type="checkbox"/> Compliance			
<input type="checkbox"/> Anti-Money Laundering and Counter-Terrorist Financing			

An Individual Can Be MIC of More Than One Core Functions

Supplement 8A – Section 2

Section 2: Confirmation

On behalf of the corporation named above, I confirm that the individual whose particulars contained in Section 1 has been informed of and acknowledges (a) his or her appointment as a Manager-In-Charge of the corporation and (b) the particular Core Function(s) for which he or she is principally responsible.

*Name of director/responsible
officer/person authorized by the
board of directors**

Signature

Date

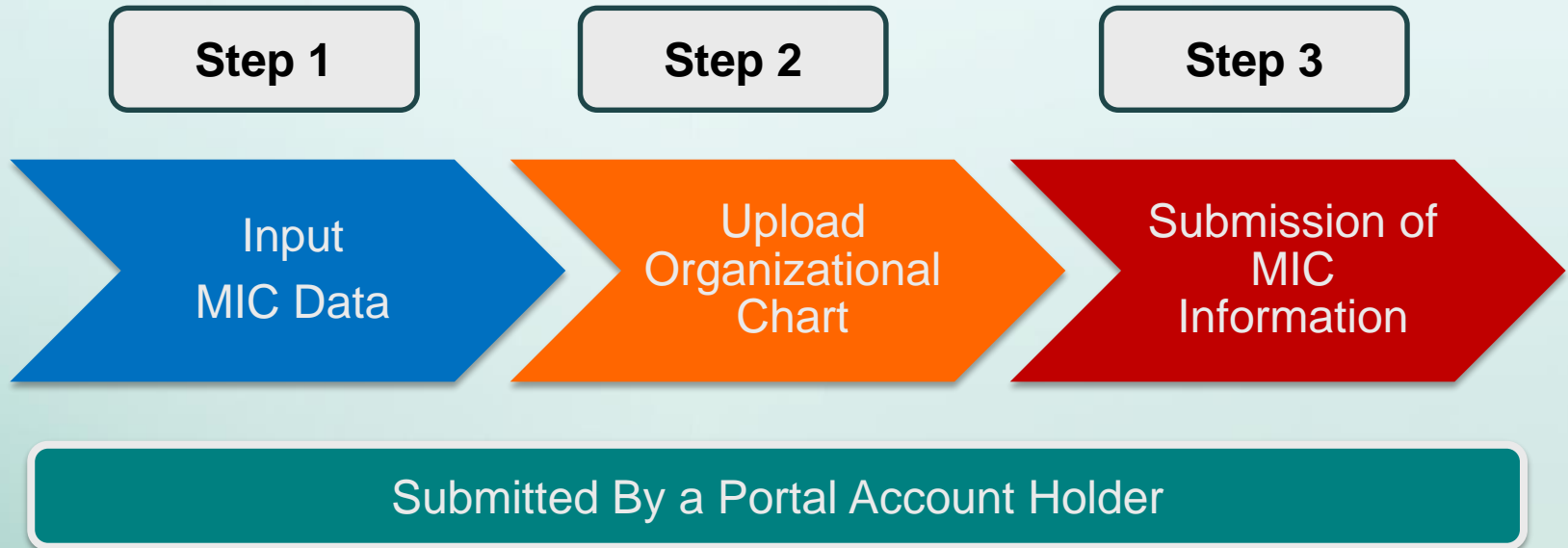
* Delete where not applicable.

Information Submission Flow – Corporate Applicants

Applications (via SFC Online Portal)



Submission of MIC Information Via the SFC Portal



Step 1 – Input MIC Data

The screenshot displays the Securities and Futures Commission (SFC) website interface. On the left, a sidebar lists 'New Online Forms' under the 'Individual' category. The 'Corporation' sub-category is highlighted with a red box. Within it, 'Application for Licence - Corporation' is also highlighted with a red box. A blue callout box with an arrow points to this option, containing the text: 'Click "Application for Licence - Corporation"'. The main content area shows the form details: Form Number: A0000016386, Form Type: Application for Licence - Corporation, and a note that it is specified under section 402 of the Securities and Futures Ordinance (Cap. 571). A horizontal navigation bar includes tabs for 'Main Page', 'General', 'Senior Management & Other Personnel', 'Controller', 'Share Capital & Bank Account', 'Business & Operation Plan', 'Associated Entity', and 'Fitness & Properness'. The 'Senior Management & Other Personnel' tab is highlighted with a red box. A blue callout box with an arrow points to this tab, containing the text: 'Click "Senior Management & Other Personnel"'. Below the tabs, the 'Responsible Officer(s)/Licensed Representative(s)' section is visible, marked with an asterisk as a mandatory field. It includes definitions for 'Responsible officer' and 'Licensed Representative', and instructions for appointing officers. At the bottom, a note states: 'Please ensure that the proposed Responsible Officer(s)/Licensed Representative(s) has/have completed the form(s) "Application/Supplement - Individual" and provided you with the relevant Form Key(s). The application forms can be found...'

SECURITIES AND FUTURES COMMISSION
證券及期貨事務監察委員會
SFC
證監會

Change Password | Security Tips | Contact Us | 中文 | Logout

Message Box (19) | Licensing | Supervision | Investment Products | Payment

Home

You are operating the account of:

New Online Forms

Individual

Corporation

- Licensed Corporations
 - Application for Licence - Corporation**
 - Endorsement of Applications/Supplements
 - Change in Business Scope
 - Change of Licensing Condition
 - Issuance of Duplicate Licence
 - Premises to be Used for Record Keeping Purpose
 - Change of Financial Year End
 - Adoption of Period Exceeding 12 Months as Financial Year
 - Extension of Deadline for Submission of Audited Accounts
 - Approval of Officer for Signing Financial Resources Returns (other than Responsible Officer)
- Registered Institutions
- Corporate Substantial Shareholders
- Corporate Directors
- Associated Entities

Form Number: A0000016386
Form Type: Application for Licence - Corporation
[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Main Page | General | **Senior Management & Other Personnel** | Controller | Share Capital & Bank Account | Business & Operation Plan | Associated Entity | Fitness & Properness

Click "Senior Management & Other Personnel"

* Mandatory field(s)

Responsible Officer(s)/Licensed Representative(s) *

"Responsible officer" means a person who is a licensed representative and is approved by the SFC under section 126(1) of the Securities and Futures Ordinance ("the Ordinance") to act as a responsible officer. He should have sufficient authority to supervise the regulated activity. He may or may not be an executive director.

"Licensed Representative" means an individual who is granted a licence under section 120(1) of the Ordinance to carry on one or more than one regulated activity for a Licensed Corporation to which he is accredited.

If you apply to be a Licensed Corporation, you should appoint not less than 2 responsible officers to directly supervise the conduct of each regulated activity you apply. If you apply to be a Temporary Licensed Corporation, you are required to nominate at least one individual for approval by the SFC for the purposes of section 117(5)(a). That individual shall be available at all times to supervise the business of regulated activity for which you apply to be licensed.

Please ensure that the proposed Responsible Officer(s)/Licensed Representative(s) has/have completed the form(s) "Application/Supplement - Individual" and provided you with the relevant Form Key(s). The application forms can be found...

Step 1 – Input MIC Data (2)

- A new subsection of “Managers-In-Charge of Core Functions” has been added under the tab of “Senior Management & Other Personnel”

Managers-In-Charge of Core Functions *

This section is **ONLY** applicable to corporations applying for a licence under section 116(1) of the Securities and Futures Ordinance (ie. *not applicable to corporations applying to become temporary licensed corporations or registered institutions*).

Please provide the names of the individuals you have appointed as your Managers-In-Charge of Core Functions (see the appended [Explanatory Notes](#))

 [Input of Manager-In-Charge](#)

	English Name	Chinese Name	Core Function ¹
--	--------------	--------------	----------------------------

Note:

- For each Core Function, you should appoint at least one individual as your Manager-In-Charge of Core Function responsible for managing that function. You may appoint one individual to act as the Manager-In-Charge of Core Functions for several Core Functions where appropriate considering your scale of operations and control measures. You may also appoint two or more individuals as Managers-In-Charge of Core Function(s) to jointly manage a particular Core Function.

Click “Input of Manager-In-Charge”

Step 2 – Upload Organizational Chart

New Online Forms

Individual

Corporation

User Delegation

Change in Contact Information

User Guide

Online Demo

FAQs

Forms

Form Number: A0000019036

Form Type: Application for Licence - Corporation

[Specified under section 402 of the Securities and Futures Ordinance (Cap. 571)]

Main Page

General

Senior Management & Other Personnel

Controller

Share Capital & Bank Account

Business & Operation Plan

Associated Entity

Fitness & Propriety

Previous

Next

* Mandatory field(s)

Responsible Officer(s)/Licensed Representative(s) *

"Responsible officer" means a person who is a licensed representative and is approved by the SFC under section 126(1) of the Securities and Futures Ordinance ("the Ordinance") to act as a responsible officer. He should have sufficient authority to supervise the regulated activity. He may or may not be an executive director.

"Licensed Representative" means an individual who is granted a licence under section 120(1) of the Ordinance to carry on one or more than one regulated activity for a Licensed Corporation to which he is accredited.

If you apply to be a Licensed Corporation, you should appoint not less than 2 responsible officers to directly supervise the conduct of each regulated activity you apply. If you apply to be a Temporary Licensed Corporation, you are required to nominate at least one individual for approval by the SFC for the purposes of section 117(5)(a). That individual shall be available at all times to supervise the business of regulated activity for which you apply to be licensed.

Click "Business & Operation Plan"

Step 2 – Upload Organizational Chart (2)

Individual

Corporation

User Delegation

Change in Contact Information

User Guide

Online Demo

FAQs

Forms

Operation Flow

"OPERATIONAL STRUCTURE AND INTERNAL CONTROL PROCEDURES:"

You are required to attach the following:

- Organizational chart depicting your management and governance structure, business and operational units and key human resources and their respective reporting lines.
- Operational flowcharts describing your proposed business operations.
- Inherent risks to your proposed regulated business activities (such as market risk, credit risk, liquidity and operational risk) and details of your risk control strategy.
- Potential areas of conflict of interests, and measures to address the conflict.
- Procedures to achieve segregation of duties.
- Business contingency plan.

Would you like to attach the document via Portal? *

☒ Yes. The attachment is ready for upload.

☐ Yes. The attachment will be uploaded later.

☐ No. The attachment will be submitted to SFC separately.

Note: If you are a corporation applying for a licence under section 116(1) of the Securities and Futures Ordinance,


1. the organizational chart you submit should include all your Managers-In-Charge of Core Functions and their respective reporting lines (ie, the job titles of the persons to whom they report within your corporation and, if applicable, within your corporate group). It should also include the job titles of the persons reporting directly to them in relation to your operations.
2. you should inform, and obtain acknowledgement from, each of your Managers-In-Charge of Core Functions regarding (a) his or her appointment as your Manager-In-Charge and (b) the particular Core Function(s) for which he or she is principally responsible.
3. after becoming a licensed corporation, you should notify the Commission, via the SFC Online Portal, of any changes in your appointment of Managers-In-Charge of Core Functions (including any new appointment and cessation of appointment) or any changes in the particulars of your Managers-In-Charge of Core Functions (see items (a) to (f) below) within seven business days of the changes.
 - a) full name;
 - b) identification information;
 - c) job title;
 - d) place of residence;
 - d) the Core Function(s) for which he or she is principally responsible; and
 - f) the job title(s) of the person(s) to whom he or she reports within your corporation and, if applicable, within your corporate group.

Where a change involves a new appointment or cessation of appointment, or a change in the particulars referred to in items (e) and (f) above, you should also submit an updated organizational chart in your notification of that change via the SFC Online Portal.

Previous

Save & Return

Next



Click "Next"

Step 2 – Upload Organizational Chart (3)

Individual

Corporation

User Delegation

Change in Contact Information

User Guide

Online Demo

FAQs

Forms

Attachment

Please submit as an attachment your operational manual and/or internal control procedures, detailing, among others, the following areas:

- Organizational chart depicting your management and governance structure, business and operational units and key human resources and their respective reporting lines.
- Operational flowcharts describing your proposed business operations.
- Inherent risks to your proposed regulated business activities (such as market risk, credit risk, liquidity and operational risk) and details of your risk control strategy.
- Potential areas of conflict of interests, and measures to avoid such conflicts.
- Procedures to achieve segregation of duties.
- Business contingency plan. *

Note: If you are a corporation applying for a licence under section 116(1) of the Securities and Futures Ordinance,

1. the organizational chart you submit should include all your Managers-In-Charge of Core Functions and their respective reporting lines (ie, the job titles of the persons to whom they report within your corporation and, if applicable, within your corporate group). It should also include the job titles of the persons reporting directly to them in relation to your operations.
2. you should inform, and obtain acknowledgement from, each of your Managers-In-Charge of Core Functions regarding (a) his or her appointment as your Manager-In-Charge and (b) the particular Core Function(s) for which he or she is principally responsible.
3. after becoming a licensed corporation, you should notify the Commission, via the SFC Online Portal, of any changes in your appointment of Managers-In-Charge of Core Functions (including any new appointment and cessation of appointment) or any changes in the particulars of your Managers-In-Charge of Core Functions (see items (a) to (f) below) within seven business days of the changes.
 - a) full name;
 - b) identification information;
 - c) job title;
 - d) place of residence;
 - d) the Core Function(s) for which he or she is principally responsible; and
 - f) the job title(s) of the person(s) to whom he or she reports within your corporation and, if applicable, within your corporate group.

Where a change involves a new appointment or cessation of appointment, or a change in the particulars referred to in items (e) and (f) above, you should also submit an updated organizational chart in your notification of that change via the SFC Online Portal.

Previous

Save & Return

Next

Click here to attach the organizational chart

Then click "Next" to proceed to the next step

III. Implementation Details



Timetable

16 Dec 16

- Issued a circular and FAQs to the industry

Feb - Apr 17

- Conduct industry workshops

18 Apr 17

- Launch the MIC measures and enhanced system module

17 Jul 17

- Due date for existing LCs to submit MIC information and updated organizational chart

16 Oct 17

- MICs of Overall Management Oversight and Key Business Lines who are not ROs should have applied to be ROs

Points to Note

- **Supplements 8 and 8A will be available for viewing on SFC website in advance**
- **For new corporate applications not yet approved by 18 April, the SFC will request for the MIC information (i.e. Supplement 8A) before final approval**
- **System enhancement**
 - SFC Online Portal will be out of service for a short period of time from 7pm, 13 April
 - Draft applications / notifications / annual returns saved on the Portal will be removed

IV. Q&As



Thank You

