Good Practices Adopted by Certain RIs

(1)   Background Checks

(1.1)   Some RIs clearly document the performance and the results of background checks of proposed ReIs in a standardised assessment checklist, and maintain a good record keeping system for such information.

(1.2)   The background checks of proposed ReIs performed by a number of RIs include areas such as civil litigations and criminal records, which cover a wider scope than the existing regulatory requirements.

(2)   Competence Assessment

Several RIs adopt a standardised and comprehensive assessment checklist to evidence the performance of relevant checking and assessment. The completed checklist is supported by relevant documents and approved by an independent reviewer.

(3)   Registration Control

(3.1)   Some RIs have established clear internal guidelines on the mapping of job duties and internal ranks with the types of RAs and the capacity to be registered for different categories of staff members across various business units.

(3.2)   A number of RIs perform regular checks between the internal records of ReIs and the HKMA register to ensure accuracy of registration details.

(4)   Ongoing monitoring of ReIs' fitness and propriety

(4.1)   Several RIs perform regular bankruptcy checks against their internal credit database on all existing ReIs to ensure their continuous fitness and propriety in financial status.

(4.2)   A number of RIs require all ReIs to make an annual self-declaration on matters set out in subsection 5.4 of the HKMA Supervisory Policy Manual module SB-1 to ensure their continuous fitness and propriety.

(4.3)   The examined RIs have a common practice of referring potential breaches of regulatory requirements by ReIs (e.g. arising from customer complaints) to the compliance unit for review and appropriate action.