



HONG KONG MONETARY AUTHORITY  
香港金融管理局

**Explanatory Note on  
Designation of  
Retail Payment Systems  
under  
The Payment Systems and  
Stored Value Facilities Ordinance  
(Cap.584)**

Hong Kong Monetary Authority  
June 2016

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## CHAPTER 1: INTRODUCTION

1. The Monetary Authority<sup>1</sup> (the “MA”) is responsible for designating and overseeing important retail payment systems (RPS) pursuant to the Payment Systems and Stored Value Facilities Ordinance (the “Ordinance”). The Ordinance stipulates criteria and relevant factors based on which the MA will determine whether or not an RPS should be designated. The policy objective is to ensure that operations of designated RPS are safe, sound and efficient and would contribute to the financial and payment system stability of Hong Kong.
2. This Explanatory Note<sup>2</sup> (“Note”) explains the relevant policies and procedures adopted by the MA with respect to the designation of RPS. It sets out: (a) the types of RPS which are likely to be covered by the Ordinance; (b) our intended interpretation of the key criteria for designating an RPS; (c) the designation process; (d) the major obligations of a designated RPS; (e) the powers of the MA in relation to designated RPS; and (f) the appeal mechanism in respect of the designation and revocation of designation.
3. This Note is not intended to be a comprehensive guide of the provisions in the Ordinance and, therefore, should not to be taken as a substitute for legal and other professional advice to an RPS or any relevant parties in any given case.

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<sup>1</sup> The Monetary Authority is the public officer appointed by the Financial Secretary under section 5A(1) of the Exchange Fund Ordinance. The powers under the Payment Systems and Stored Value Facilities Ordinance are vested in the Monetary Authority. The office of the Monetary Authority is known as the “Hong Kong Monetary Authority” (the “HKMA”).

<sup>2</sup> All references to section numbers in this Note refer to those of the Ordinance, unless specified otherwise.

## CHAPTER 2: RETAIL PAYMENT SYSTEMS ELIGIBLE FOR DESIGNATION

### Definitions of key terms

1. According to section 2 (Interpretation) of the Ordinance, an RPS is defined as “... a system or arrangement for the transfer, clearing or settlement of payment obligations relating to retail activities (whether the activities take place in Hong Kong or elsewhere), principally by individuals, that involve purchases or payments, and ... includes related instruments and procedures”.
2. The glossary of payments and market infrastructure terminology provided by the Committee on Payments and Market Infrastructures (CPMI)<sup>3</sup> defines the terms “transfer”, “clearing” and “settlement” as follows:-
  - (a) “Transfer” – “operationally, the sending (or movement) of funds or securities or of a right relating to funds or securities from one party to another party by (i) conveyance of physical instruments/money; (ii) accounting entries on the books of a financial intermediary; or (iii) accounting entries processed through a funds and/or securities transfer system. The act of transfer affects the legal rights of the transferor, transferee and possibly third parties in relation to the money balance, security or other financial instrument being transferred”;
  - (b) “Clearing” – “the process of transmitting, reconciling and, in some cases, confirming payment orders or security transfer instructions prior to settlement, possibly including the netting of instructions and the establishment of final positions for settlement”; and
  - (c) “Settlement” – “an act that discharges financial obligations in respect of funds and securities transfer between two or more parties”.
3. The term “a system or arrangement” intends to provide a broader coverage to the definition of RPS. Not only will it capture a “system” such as a computer system; network or other physical system infrastructure, but also business arrangements involving retail transactions.

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<sup>3</sup> The glossary is based on “A glossary of terms used in payments and settlement systems” published by the committee (which was previously known as Committee on Payment and Settlement Systems until September 2014). The CPMI, hosted by the Bank of International Settlement (BIS), is a global standard setter in payment, clearing, settlement and related arrangements, and also serves as a forum for cooperation of authorities and central banks in related oversight, policy and operational matters.

4. Under section 4(2), such an RPS would be eligible for designation if it:-
  - (a) is in operation in Hong Kong; or
  - (b) accepts for transfer, clearing or settlement transfer orders denominated in any currency or declared medium of exchange.<sup>4</sup>

*(Please refer to paragraph 6 for examples of RPS which we intend to include in the designation regime and chapter 3 for criteria for designation.)*

5. Section 4(2) further provides that an RPS that is, or is operated by, a company recognized as a clearing house under section 37(1) of the Securities and Futures Ordinance (the “SFO”) (Cap. 571) will not be caught by section 4(2).
6. Systems or arrangements which may be caught by the definition of RPS include:-
  - (a) Payment card system: a set of functions, procedures, arrangements, rules and devices that enable a holder of a payment card to effect a payment and/or cash withdrawal transaction with a third party other than the card issuer;
  - (b) Electronic funds transfer system: a system that handles transfer of funds which is initiated through a computer system (e.g. internet banking system), phone banking, or a mobile or an electronic device (e.g. mobile banking), for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a consumer’s account. Electronic funds transfer transactions typically include point-of-sale (POS) transactions; automatic teller machine (ATM) transactions, direct deposits and withdrawals of funds. The HKMA has no intent to designate RPS operated by an Authorized Institution (AI) (e.g. internet and mobile banking payment services, electronic fund transfer services, ATM networks, etc.) for serving their own customers because such RPS are already subject to the HKMA’s prudential supervision of the AI as a whole. However, if an AI provides RPS services to other payment service providers, such RPS may be subject to designation if it falls within the designation criteria;

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<sup>4</sup> Declared medium of exchange means a thing that is declared by the MA to be a medium of exchange under section 2C. The thing to be declared should be widely used and accepted in Hong Kong as a means of payment for goods and services. The MA adopted a very high threshold in the declaration. Apart from the existing legal tender, no other things had been declared by the HKMA as a medium of exchange.

- (c) Transaction acquiring system: a system which deals with, among others, the acquiring and management of payment card acceptors, the forwarding of authentication and authorisation requests and of accepted transaction information and the provision and maintenance of terminals; and
  - (d) Payment gateway: a system or arrangement that processes as well as accepts or declines payment transactions on behalf of the merchant through secure network connections.
7. It is noted that stored value facilities (SVF)<sup>5</sup> schemes normally require a payment system to support their operation. Such a payment system may fall within the RPS definition. To avoid regulatory overlap and inducing excess regulatory burden on SVF licensees, we do not intend to designate a payment system run by a SVF licensee to support its own SVF schemes. It is because the entire SVF schemes and related systems are already subject to a holistic regulatory framework, covering the safety and soundness of the systems including those supporting the transfer, clearing and settlement of payment obligations. However, if the RPS operated by the SVF licensee also supports SVF schemes run by other SVF issuers, the MA may designate such RPS if it meets the designation criteria.

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<sup>5</sup> As defined in section 2A of the Ordinance.

### CHAPTER 3: CRITERIA FOR DESIGNATION

1. Under section 4(1), an RPS may be designated if the MA is of the opinion that -
  - (a) the system is, or is likely to become, an RPS whose proper functioning is material to the monetary or financial stability of Hong Kong, or to the functioning of Hong Kong as an international financial centre (IFC) (section 4(1)(a)); or
  - (b) the system should be so designated, having regard to matters of significant public interest (section 4(1)(b)).

#### **Materiality to monetary and financial stability and the functioning of Hong Kong as an IFC**

2. Section 4(3) stipulates that for the purpose of designation under section 4(1)(a), a system is regarded as a system whose proper functioning is material to the monetary or financial stability of Hong Kong, or to the functioning of Hong Kong as an IFC if: -
  - (a) the occurrence of any significant disruption to, or the presence of any significant inefficiency in, the functioning of the system is likely to adversely affect the monetary or financial stability of Hong Kong, or the functioning of Hong Kong as an IFC; or
  - (b) the occurrence of any significant disruption to the functioning of the system is likely to cause further disruption to the activities of the participants of the system or to other payment systems, or systemic disruption to Hong Kong's financial system.

#### **Significant public interest**

3. Section 4(3A) stipulates that for the purpose of designation under section 4(1)(b), the MA will consider whether the occurrence of any significant disruption to, or the presence of any significant inefficiency in, the functioning of the system is likely to adversely affect -
  - (a) the public's confidence in payment systems;
  - (b) the public's confidence in Hong Kong's financial system; or
  - (c) day-to-day commercial activities.

### Factors to which the MA may have regard

4. In forming an opinion as to whether an RPS may be designated, the MA may consider one or more of the following factors, as set out in section 4(4A) : -
  - (a) **The estimated aggregate value of transfer orders transferred, cleared or settled through the system in a normal business day.** This refers to the total value (either in Hong Kong dollars or other currencies) of individual instructions cleared or settled in the system. For established systems, the estimated value can be worked out with reference to historical data and business plan.
  - (b) **The estimated average value of transfer orders transferred, cleared or settled through the system in a normal business day.** This refers to the aggregate value of instructions transferred, cleared or settled through the system in a normal business day, divided by the number of instructions processed.
  - (c) **The estimated number of transfer orders cleared or settled through the system in a normal business day.**
  - (d) **The estimated number of participants of the system.**
  - (e) **Whether such system is linked to any designated system or any clearing and settlement system that is, or is operated by, a company recognized as a clearing house under section 37(1) of the SFO.**
5. In general, the higher the estimated aggregate value or number of transfer orders, the more likely an RPS is material to the financial and payment system of Hong Kong and of significant public interest. The linkage of an RPS to another designated system is an important factor that the MA will consider when making a designation decision given the contagion risk to the financial system such linkage could bring.
6. Apart from the above factors, the MA will also consider other factors, such as the number of cards issued, the number of card acceptance points, etc. The MA will take a holistic approach in considering these factors, as they complement each other in providing different angles for assessing the significance of an RPS.



## CHAPTER 4: DESIGNATION PROCESS

1. The MA may initiate the designation process if he considers an RPS meets or is likely to meet the criteria for designation. The MA is not obliged to consider any request for designation made to the MA. It is important to note that designation of an RPS does not in any way represent or imply that the MA endorses such system. Designation of an RPS is to provide for such system to be subject to oversight by the MA, with a view to maintaining and promoting the general safety and efficiency of such system.

### MA's power to collect information under section 52

2. For the MA to determine whether an RPS is eligible to be designated and whether it satisfies the designation criteria for the purposes of the Ordinance, section 52(1) provides the power for the MA to collect information or documents from any person who is, or whom he reasonably believes to be, a system operator or settlement institution of an RPS or a participant in an RPS<sup>6</sup>.
3. This power to collect information and documents also applies to systems, individuals or corporations established, located or incorporated in a place outside Hong Kong. Generally speaking, the MA will seek to collect the information or documents as set out in the **Annex** of this Note and may, where necessary, seek additional information as is required in order to assist him in making such determination. The types of information or documents that the MA may require vary from system to system.
4. Any person who fails to comply with a request from the MA made under section 52(1) commits an offence under section 52(4) and is liable to the relevant fine and imprisonment.

### Deliberation process by the RPS Designation Committee

5. After receiving the relevant information and documents, the MA may discuss with the system operator and settlement institution of such system where necessary on issues relating to the determination of the system's eligibility for designation.

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<sup>6</sup> See definitions of "settlement institution"; "system operator" and "participant" in section 2 of the Ordinance.

6. Findings of a designation review will be prepared for submission to a Retail Payment Systems Designation Committee (the “RPS Designation Committee”), an internal committee of the HKMA, for consideration.
7. The RPS Designation Committee comprises senior officers of the HKMA and is chaired by a senior executive of the HKMA. One of the major responsibilities of the RPS Designation Committee is to consider the designation review findings and form a recommendation (i.e. to designate or not to) for consideration by the MA to assist him to form a determination. The time for the designation process may vary depending on the particular situation of each case, including the nature and complexity of the prospective designated RPS, the completeness of information and documents submitted to the MA, etc.

### **The designation process**

8. Under section 4(5), if the MA intends to designate a RPS under section 4(1), he must publish notice in the Gazette of his intention, stating the grounds on which the designation is to be made. He is also required to specify in the notice a period of not less than 14 days within which any system operator or settlement institution of the RPS may make oral or written representations to the MA as to why the RPS should not be designated.
9. If any system operator or settlement institution of the RPS to whom a Gazette notice under section 4(5) concerns wishes to make oral or written representations, it should make such a request to the MA in writing as soon as possible.
10. The RPS Designation Committee will review the grounds stated by the system operator or settlement institution, and make further recommendation to the MA as to whether designation of such RPS should be made. The MA may meet with the system operator or settlement institution if needed.
11. After section 4(5) has been complied with, if the MA decides to proceed to designate the RPS, he will, by notice published in the Gazette, designate such system accordingly, and the designation will take effect starting from the date of the Gazette notice or a date specified in the notice. The MA will notify in advance the system operator and settlement institution of the designated RPS in writing of his decision.

## CHAPTER 5: EXEMPTION

### Scope of exemption

1. A designated RPS established outside Hong Kong may be adequately supervised by a regulatory authority exercising functions in that place similar to that of the MA under the Ordinance (usually the relevant authority in the place where the system operator or settlement institution of a designated RPS is incorporated). In that case, the MA may, under section 11(2), exempt such designated RPS from complying with some or all of the obligations if the case warrants.
2. Before granting an exemption to a designated RPS established outside Hong Kong, pursuant to section 11(2), the MA must be satisfied that the scope and nature of the oversight or supervision exercised in relation to that designated RPS by the relevant regulatory authority is sufficient to achieve any or all of the objectives of Part 2B (matters pertaining to the functions and powers of the MA) and Part 2 (designation and oversight) in relation to the designated RPS.
3. In making his assessment, the MA will take into account: -
  - (a) the scope and nature of the oversight regime of the relevant regulatory authority;
  - (b) the oversight/supervisory framework of the relevant regulatory authority;
  - (c) the oversight/supervisory process of the relevant regulatory authority; and
  - (d) past experience in dealings with the relevant regulatory authority.
4. Under sections 11(2)(a) and 11(2)(b), the MA may exempt a person from any or all of the obligations imposed on the person under the provisions of Part 2 (Division 2) and Part 2B of the Ordinance in relation to the designated RPS, or any obligation arising from the exercise of any power conferred under those provisions in relation to the designated RPS.
5. Under section 11(4), where the MA has granted (or has varied or withdrawn) an exemption in any case, he is required to publish in the Gazette notice of the particulars of that grant (or variation or withdrawal) of exemption.

6. It should be noted that the exemption status is subject to review. If the MA considers that any of the exemption criteria is no longer met by the exempt designated RPS, he will vary or withdraw the relevant exemption.

**Co-operation with overseas regulatory authorities**

7. The MA will, where appropriate, rely on co-operative oversight with the relevant regulatory authority of a designated RPS to which an exemption under section 11(2) is granted.
8. In this connection, the MA expects to work closely with the relevant regulatory authority, taking into account the framework set out in the “Principles for Financial Market Infrastructures” (the “PFMIs”), issued jointly by the CPMI and the International Organization of Securities Commissions (IOSCO) in April 2012<sup>7,8</sup>.
9. Under section 50(4), the MA may, if such disclosure is not contrary to the public interest, disclose information to an authority in a place outside Hong Kong which exercises functions in that place similar to those of the MA under the Ordinance and is, in the opinion of the MA, subject to adequate secrecy provisions in that place, such disclosure will in the opinion of the MA: -
  - (a) assist that authority in exercising those of its functions; and
  - (b) help maintain and promote safety and efficiency in the operation of designated RPS.

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<sup>7</sup> The IOSCO is the international standard setter for securities markets. The CPMI and the IOSCO published the joint report “PFMIs” in April 2012. The PFMIs update, harmonise and strengthen the risk management and related standards applicable to financial market infrastructures (“FMIs”) which include systemically important payment systems, securities settlement systems, etc. The PFMIs are the latest international standards designed to ensure such FMIs supporting the global financial markets are more robust.

<sup>8</sup> The PFMIs set out that central banks, market regulators, and other relevant authorities should cooperate with each other, domestically and internationally (that is, on a cross-border basis), in order to support each other in fulfilling their respective regulatory, supervisory, or oversight mandates with respect to FMIs. Relevant authorities should explore, and where appropriate, develop cooperative arrangements that take into consideration (a) their statutory responsibilities, (b) the systemic importance of the FMI to their respective jurisdictions, (c) the FMI’s comprehensive risk profile (including consideration of risks that may arise from interdependent entities), and (e) the FMI’s participants.

## CHAPTER 6: REVOCATION OF DESIGNATION

### Grounds for revocation

1. Under section 5(1), the MA may revoke the designation of a designated RPS if: -
  - (a) the RPS was designated under section 4(1)(a) and, in the opinion of the MA, has ceased to be, or to be likely to become, a RPS mentioned in that section;
  - (b) the RPS was designated under section 4(1)(b) and, in the opinion of the MA, the matters based on which the RPS was designated have ceased to exist; or
  - (c) the MA is satisfied that the designated RPS is not an RPS as is described in section 4(2).

### Revocation process

2. The Retail Payment Oversight Division of the HKMA will prepare a review report on whether a designated RPS satisfies the revocation criteria under section 5(1)(a) or (b) for the consideration of the RPS Designation Committee, which will make recommendation to the MA for his determination.
3. If the MA intends to revoke the designation of the designated RPS, pursuant to section 5(2), he is required to -
  - (a) under section 5(2)(a), publish in the Gazette notice of the intention, stating the grounds under section 5(1) on which the revocation is to be made; and
  - (b) under section 5(2)(b), specify in the notice a period of not less than 14 days within which any system operator or settlement institution of the designated RPS may make oral or written representations to the MA as to why the grounds for revocation stated in the notice have not been made out.
4. Section 5(2A) requires that the MA must, before revoking the designation, take into consideration any representation made in the manner mentioned in

section 5(2)(b). After reviewing the reasons given by the system operator and/or settlement institution, the RPS Designation Committee will make recommendation to the MA as to whether the designation should be revoked. In the course of reviewing the matter, the MA may meet with the system operator or settlement institution should such need arise.

5. If the MA decides to proceed to revoke the designation of the designated system, he will, by notice published in the Gazette, revoke such designation and the relevant revocation will take effect as from the date of the Gazette notice. The MA will notify the system operator and settlement institution of the MA's decision in writing.

## CHAPTER 7: OBLIGATIONS OF DESIGNATED RETAIL PAYMENT SYSTEMS

1. Upon designation, a designated RPS is required to comply with the obligations imposed under the Ordinance. Failure to comply with any of those obligations is an offence and the party concerned will be liable to a fine and/or imprisonment as provided by the Ordinance. Some of the key obligations are set out below.

### **(a) Submission of particulars**

2. Section 6 requires any system operator or settlement institution of a newly designated system (including RPS) to inform the MA within 6 days of the designation particulars about himself, including the name, place of business, postal address and electronic mail address, as well as the aspects of the management or operations of the system for which he is responsible. For any system operator or settlement institution which is a corporation, the names and personal particulars of the directors, chief executive (if any) and shareholders of the corporation are similarly required to be sent to the MA. Details of any subsequent change in any of those particulars are to be notified to the MA within 6 days of the change taking effect.

### **(b) Compliance with safety and efficiency requirements**

3. Section 7 sets out the general requirements to be complied with in relation to designated systems, and places the responsibility for such compliance on their system operators and settlement institutions. Those requirements include safe and efficient operation of the system, the establishment of appropriate operating rules, the existence of adequate compliance arrangements with participants, and the availability of sufficient financial resources. Section 7(3) prohibits any change to a designated system's operating rules from being made without the prior written approval of the MA.
4. Section 8(1) states that reference to the safety of a payment system in this Ordinance includes in particular any matter relating to: -
  - (a) the extent to which the operating rules of the system provide for certainty as to the circumstances under which transfer orders effected through the system are to be regarded as settled for the purposes of the system;

- (b) the reliability and robustness of operation of the system;
- (c) access control over the system;
- (d) the integrity of, and access control over, the information held within the system;
- (e) the risk management and control procedures relating to the operation of the system;
- (f) the soundness of the system, including financial soundness;
- (g) the services provided to the system by the infrastructure associated with the system; and
- (h) the criteria regarding the safety of the system prescribed for the purposes of this section.

**(c) Submission of information or documents and examination of books, accounts and transactions, etc.**

5. Section 12 empowers the MA to request by notice in writing given to the system operator, settlement institution or participant of designated system to provide to him information or documents relating to a designated system from any system operator, settlement institution or participant of the system when performing his functions under the Ordinance. The system operator, settlement institution or participant of the system to whom a request is made is required to submit the information or documents within the period specified in the request.
6. The Ordinance also empowers the MA to (a) examine books, accounts and transactions of a system operator, settlement institution or a participant of a designated system; and (b) require reports to be prepared by an auditor. These powers are provided for in section 12A and section 12B of the Ordinance respectively.



**(d) Compliance with directions**

7. Section 13 empowers the MA to, by notice in writing, direct a system operator or settlement institution of a designated system to take any action the MA considers necessary to bring the system into compliance with any of the requirements under section 7(1). Such a direction will specify the action(s) to be taken, the ground(s) for issuing the direction and the period within which the direction is to be complied with.

## CHAPTER 8: DECLARED ACTIVITIES OF DESIGNATED RPS

1. According to section 4(4B) of the Ordinance, in designating an RPS under section 4(1), the MA may, in the notice published in the Gazette under that section, declare the activities that are allowed to be carried out through the RPS, having regard to : -
  - (a) the activities that are carried out through the RPS before the designation;  
and
  - (b) the operating rules of the RPS.
2. Section 4(5) further states that if the MA intends to make a declaration under subsection (4B), he must publish in the Gazette notice of the intention, stating the grounds on which the designation or declaration is to be made; and specify in the notice a period of not less than 14 days within which any system operator or settlement institution of the RPS may make oral or written representations to the MA as to why the declaration should not be made.
3. Section 4(6) requires that the MA must, before making the declaration, take into consideration any representation made in the manner mentioned in section 4(5).

### **Restrictions on activities**

4. Section 6A(1) states that if a declaration of activities is made in respect of a designated RPS under section 4(4B), then except with the MA's written prior consent, a system operator or settlement institution of that system must not carry out through the system an activity that is not declared under that section. Failure to comply with the requirement is an offence and the party concerned will be liable to the relevant fine and/or imprisonment.

**MA may give consent for designated RPS to carry out activities not declared under section 4(4B)**

5. Section 6B(1) states that the MA may, on the written request of a system operator or settlement institution of a designated RPS, give a written consent mentioned in section 6A to allow the activities specified in the consent to be carried out through that system by the system operator or settlement institution.
6. Section 6B(2) further states that the MA may: (a) attach to the consent conditions that the MA considers appropriate; (b) attach to the consent any new conditions that the MA considers appropriate, including by amending the conditions already attached; or (c) cancel a condition so attached.
7. Pursuant to section 6B(3), if the MA intends to attach conditions to the consent, the Monetary Authority must -
  - (a) give a written notice to the system operator or settlement institution stating the intention; the conditions to be attached; and the grounds for attaching the conditions; and
  - (b) specify in the notice a period of not less than 14 days within which the system operator or settlement institution may make oral or written representations to the MA as to why the grounds for attaching the conditions have not been made out.
8. Section 6B(4) further states that the MA must, before attaching the conditions, take into consideration any representation made.
9. Sections 6B(5) and 6B(6) states that the MA must, as soon as practicable after making a decision under this section, give a written notice of the decision to the system operator or settlement institution. The written notice must state: -
  - (a) for a decision to give the consent, the decision;
  - (b) for a decision to refuse to give the consent, the decision and the grounds for the decision;

- (c) for a decision to attach conditions -
    - (i) the conditions;
    - (ii) the grounds for attaching the conditions; and
    - (iii) the date on which the conditions are to take effect or, if they are to take effect on the occurrence of an event, this fact and the event; or
  - (d) for a decision to cancel a condition, the decision.
10. Section 6B(7) states that a system operator or settlement institution who contravenes a condition attached under subsection (2) to a consent given to the operator or institution commits an offence and is liable to a fine and imprisonment.

## CHAPTER 9: APPEAL MECHANISM

1. The Payment Systems and Stored Value Facilities Appeals Tribunal (the “Tribunal”) is a statutory body established under the Ordinance to review a decision or determination specified in Part 2 of Schedule 1 to the Ordinance (“reviewable decisions”).
2. The reviewable decisions relevant to designated RPS include, among other things, a decision of the MA to –
  - (a) designate a payment system under section 4(1);
  - (b) declare activities under section 4(4B);
  - (c) revoke the designation of a designated system under section 5(1);
  - (d) refuse to give a consent mentioned in section 6B(1);
  - (e) attach conditions to a consent under section 6B(2); and
  - (f) impose a sanction under section 33Q.
3. Pursuant to section 35, any person who is aggrieved by any of the reviewable decisions may refer the decision to the Tribunal for review, stating the grounds on which the review is sought.
4. The Tribunal has the necessary powers to allow it to properly review the decision referred (e.g. powers to call witnesses, to demand production of evidence, to administer oaths, to punish for contempt, etc.). A decision made by the Tribunal is final and is only subject to appeal on a point of law to the Court of Appeal.
5. The contact information of the Tribunal is: -  
Secretariat to Payment Systems and Stored Value Facilities Appeals Tribunal  
Address: 38/F, Immigration Tower 7 Gloucester Road, Wanchai Hong Kong

## CHAPTER 10: MISCELLANEOUS

### **Publication of information**

1. For general reference, information regarding the designation regime for RPS will be published in the HKMA's website ([www.hkma.gov.hk](http://www.hkma.gov.hk)) from time to time.

### **Contact information**

2. Enquiries about the designation regime for RPS can be made in writing to:

Retail Payment Oversight Division  
Hong Kong Monetary Authority  
55/F, Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

**Information or documents that may be requested under section 52(1)**

1. A copy of the operating rules of the system.
2. Details of all types of services offered by the system.
3. Details of the constitution, structure, nature of business, ownership and management of the system, the system operator and/or the settlement institution.
4. Details of the system architecture, design, functions and external system interfaces of the system, including details specifying the point at which a transfer order takes effect as having been entered into the system and of the point after which a transfer order may not be revoked by a participant or any other party.
5. A copy of the last three annual reports, if any, and the financial statements (with any auditor's reports) for the current financial year of the system, the system operator and/or the settlement institution.
6. The basis for membership or participation in the system (i.e. admission criteria) and a list of the current members or participants in the system.
7. Tariff information and schedule.
8. Names of the system operator and/or the settlement institution, if any, of the system and whether the system operator and/or the settlement institution are also participants in the system under the operating rules of the system. Legal contracts or documents between the system operator and the settlement institution in relation to the system (for instance, documents which show the co-operation between the system operator and the settlement institutions, such as MoUs between them on data security, and the functional specifications of the linkages between the computer systems and networks between them that makes the system works.)
9. Details of the types, volume and values of transfer orders processed by the system.
10. Detailed business contingency plan.

11. Name and contact details of the person to whom questions relating to the designation of the system should be directed.

*For overseas systems, the following additional information may be required: -*

1. Name of each of the relevant regulatory authorities where the system is regulated by one or more regulators not within the Hong Kong jurisdiction.
2. An outline of any laws and other regulatory requirements relating to the operations of the system, if regulated by a regulator not within the Hong Kong jurisdiction.
3. Evidence of the system's compliance with any applicable laws and regulatory requirements of a jurisdiction outside Hong Kong, which may include comments from home supervisory authority on the system's compliance with any applicable laws and regulatory requirements of a jurisdiction outside Hong Kong.