



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref: B1/15C
G16/1C

31 May 2019

The Chief Executive
All Registered Institutions

Dear Sir / Madam,

Frequently Asked Questions issued by the Securities and Futures Commission (“SFC”) on disclosure of investigations commenced by licensed corporations in the notifications of cessation of accreditation (“the FAQ”)

I am writing to draw your attention to the captioned FAQ issued recently by the SFC, which provides guidance on the disclosure requirement for a licensed corporation (“LC”) to provide information about whether a licensed individual is under any investigation commenced by the LC within six months preceding the cessation of accreditation of that licensed individual, when the LC notifies the SFC of the cessation of accreditation of that licensed individual. The FAQ also sets out other details of the disclosure requirement.

Registered institutions (“RIs”) are reminded that the above disclosure requirement also applies to an executive officer (“EO”). In other words, a RI is required to provide information to the SFC and the Hong Kong Monetary Authority (“HKMA”) about whether an individual is under any investigation commenced by the RI within six months preceding the cessation of appointment of that individual as an EO. If the internal investigation commences subsequent to the notification of cessation of appointment as an EO, the RI should notify the SFC and the HKMA as soon as practicable.

RIs should observe the FAQ where applicable. The FAQ is accessible via the following link:

<https://www.sfc.hk/web/EN/faqs/intermediaries/licensing/disclosure-of-investigations-commenced-by-licensed-corporations.html#9>

If you have any questions on this circular, please contact Ms Karin Lee on 2878-1604 or Ms Gloria Leung on 2878-1509.

Yours faithfully,

Alan Au
Executive Director (Banking Conduct)

c.c. SFC
(Attn: Ms Julia Leung, Deputy Chief Executive Officer and Executive Director (Intermediaries) and
Mr Wilson Lo, Senior Director of Licensing (Intermediaries))