

Chapter:	571D	Securities and Futures (Professional Investor) Rules	Gazette Number	Version Date
		Empowering section	E.R. 1 of 2012	09/02/2012

(Cap 571, section 397(1))

(Enacting provision omitted—E.R. 1 of 2012)

[1 April 2003] *L.N. 12 of 2003*

(Originally L.N. 188 of 2002)

(*Format changes—E.R. 1 of 2012)

Note:

***The format of the Rules has been updated to the current legislative styles.**

Section:	1	(Omitted as spent—E.R. 1 of 2012)	E.R. 1 of 2012	09/02/2012
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Section:	2	Interpretation	E.R. 2 of 2014	10/04/2014
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In these Rules, unless the context otherwise requires-

associate (有聯繫者), in relation to an individual, means the spouse or any child of the individual;

custodian (保管人) means-

- (a) a corporation the principal business of which is to act as a custodian of securities or other property for another person, whether on trust or by contract; or
- (b) any of the following persons-
 - (i) an authorized financial institution;
 - (ii) a bank which is not an authorized financial institution but is regulated under the law of any place outside Hong Kong;
 - (iii) a licensed corporation;
 - (iv) a person carrying on the business of the provision of investment services and regulated under the law of any place outside Hong Kong,
 whose business includes acting as a custodian of securities or other property for another person, whether on trust or by contract;

custodian statement (保管人結單) means a statement of account issued by a custodian;

portfolio (投資組合) means a portfolio comprising any of the following-

- (a) securities;
- (b) a certificate of deposit issued by-
 - (i) an authorized financial institution; or
 - (ii) a bank which is not an authorized financial institution but is regulated under the law of any place outside Hong Kong;
- (c) in relation to an individual, corporation or partnership, money held by a custodian for the individual, corporation or partnership;

relevant date (有關日期)-

- (a) in the case of an advertisement, invitation or document described in section 103(3)(k) of the Ordinance, means the date on which the advertisement, invitation or document is issued, or possessed for the purposes of issue;
- (b) in the case of a call described in section 174(2)(a) of the Ordinance, means the date on which the call is made;
- (c) in the case of an offer described in section 175(5)(d) of the Ordinance, means the date on which the offer is made; or
- (d) in any other case which, by virtue of any rules made under the Ordinance, requires compliance with an obligation, means the date by or on which the obligation is required to be complied with;

trust corporation (信託法團) means-

- (a) any trust company registered under Part 8 of the Trustee Ordinance (Cap 29); or
- (b) any other corporation which-
 - (i) carries on a business which is of a nature similar to that of a trust company referred to in paragraph (a); and
 - (ii) is regulated under the law of any place outside Hong Kong.

(E.R. 2 of 2014)

Section:	3	Persons prescribed as professional investors	E.R. 1 of 2012	09/02/2012
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For the purposes of paragraph (j) of the definition of **professional investor** in section 1 of Part 1 of Schedule 1 to the Ordinance, the following persons are prescribed as within the meaning of that definition for the purposes of any provision of the Ordinance other than Schedule 5-

- (a) any trust corporation having been entrusted under the trust or trusts of which it acts as a trustee with total assets of not less than \$40 million or its equivalent in any foreign currency at the relevant date or- (L.N. 135 of 2011)
 - (i) as stated in the most recent audited financial statement prepared-
 - (A) in respect of the trust corporation; and
 - (B) within 16 months before the relevant date;
 - (ii) as ascertained by referring to one or more audited financial statements, each being the most recent audited financial statement, prepared-
 - (A) in respect of the trust or any of the trusts; and
 - (B) within 16 months before the relevant date; or
 - (iii) as ascertained by referring to one or more custodian statements issued to the trust corporation-
 - (A) in respect of the trust or any of the trusts; and
 - (B) within 12 months before the relevant date;
- (b) any individual, either alone or with any of his or her associates on a joint account, having a portfolio of not less than \$8 million or its equivalent in any foreign currency at the relevant date or- (L.N. 135 of 2011)
 - (i) as stated in a certificate issued by an auditor or a certified public accountant of the individual within 12 months before the relevant date; or (23 of 2004 s. 56)
 - (ii) as ascertained by referring to one or more custodian statements issued to the individual (either alone or with the associate) within 12 months before the relevant date;
- (c) any corporation or partnership having-
 - (i) a portfolio of not less than \$8 million or its equivalent in any foreign currency; or
 - (ii) total assets of not less than \$40 million or its equivalent in any foreign currency, at the relevant date, or as ascertained by referring to- (L.N. 135 of 2011)
 - (iii) the most recent audited financial statement prepared-
 - (A) in respect of the corporation or partnership (as the case may be); and
 - (B) within 16 months before the relevant date; or
 - (iv) one or more custodian statements issued to the corporation or partnership (as the case may be) within 12 months before the relevant date; and
- (d) any corporation the sole business of which at the relevant date is to hold investments and which at the relevant date is wholly owned by any one or more of the following persons-
 - (i) a trust corporation that falls within the description in paragraph (a);
 - (ii) an individual who, either alone or with any of his or her associates on a joint account, falls within the description in paragraph (b);
 - (iii) a corporation that falls within the description in paragraph (c);
 - (iv) a partnership that falls within the description in paragraph (c). (L.N. 135 of 2011)