

**SECURITIES AND FUTURES AND COMPANIES LEGISLATION  
(STRUCTURED PRODUCTS AMENDMENT) ORDINANCE 2011**

**CONTENTS**

Section Page

**PART 1**

**PRELIMINARY**

1. Short title ..... A379

**PART 2**

**AMENDMENTS TO SECURITIES AND FUTURES ORDINANCE**

2. Section 102 amended (Interpretation of Part IV) ..... A379
3. Section 103 amended (Offence to issue advertisements,  
invitations or documents relating to investments in certain  
cases) ..... A381
4. Section 104A added  
    104A. Commission may authorize structured products ..... A383
5. Section 106 amended (Withdrawal of authorization under  
section 104 or 105, etc.) ..... A387
6. Section 107 amended (Offence to fraudulently or recklessly  
induce others to invest money) ..... A387
7. Section 108 amended (Civil liability for inducing others to  
invest money in certain cases) ..... A389
8. Section 111 amended (Service of notices, etc. on approved  
persons) ..... A389
9. Section 182 amended (Investigations) ..... A389
10. Section 213 amended (Injunctions and other orders) ..... A389
11. Section 379 amended (Avoidance of conflict of interests) ..... A389

Section	Page
12. Section 392 substituted	
392. Financial Secretary to prescribe interests, etc. as securities, etc. ....	A391
13. Section 407 amended (Savings, transitional, consequential and related provisions, etc.) .....	A393
14. Schedule 1 amended (Interpretation and general provisions)	A393
15. Schedule 8 amended (Securities and Futures Appeals Tribunal) .....	A403
16. Schedule 10 amended (Savings, transitional, consequential and related provisions, etc.) .....	A403

### PART 3

#### AMENDMENTS TO COMPANIES ORDINANCE

17. Section 2 amended (Interpretation) .....	A407
18. Section 38AA added	
38AA. Exemption for structured products .....	A407
19. Section 342AA added	
342AA. Exemption for structured products .....	A407
20. Third Schedule amended (Matters to be Specified in Prospectus and Reports to be set out therein) .....	A409
21. Seventeenth Schedule amended (Offers specified for the purposes of paragraph (b)(ii) of the definition of “prospectus” in section 2(1) of this Ordinance) .....	A409
22. Eighteenth Schedule amended (Warning, etc. Statements to be contained in certain documents) .....	A409
23. Nineteenth Schedule amended (Contents and publication requirements of advertisements mentioned in section 38B(2)(e) of this Ordinance) .....	A409
24. Twentieth Schedule amended (Amendment of prospectus consisting of one document) .....	A409

Section	Page
25. Twenty-first Schedule amended (Provisions in accordance with which a prospectus may consist of more than one document) .....	A411
26. Twenty-second Schedule amended (Persons specified for the purposes of section 40 of this Ordinance) .....	A411

## PART 4

### CONSEQUENTIAL AMENDMENTS

#### **Inland Revenue Ordinance**

27. Schedule 16 amended (Specified transactions) .....	A411
--	------

#### **Securities and Futures (Short Selling and Securities Borrowing and Lending (Miscellaneous)) Rules**

28. Section 2 amended (Interpretation) .....	A411
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#### **Securities and Futures (Fees) Rules**

29. Schedule 1 amended (Fees) .....	A413
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**HONG KONG SPECIAL ADMINISTRATIVE REGION**

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ORDINANCE NO. 8 OF 2011

L.S.

Donald TSANG  
Chief Executive  
12 May 2011

An Ordinance to transfer the regulation of public offers of structured products in the form of shares or debentures from the prospectus regime of the Companies Ordinance to the offers of investments regime of the Securities and Futures Ordinance and to make consequential and related amendments.

[13 May 2011]

Enacted by the Legislative Council.

PART 1

PRELIMINARY

**1. Short title**

This Ordinance may be cited as the Securities and Futures and Companies Legislation (Structured Products Amendment) Ordinance 2011.

PART 2

AMENDMENTS TO SECURITIES AND FUTURES ORDINANCE

**2. Section 102 amended (Interpretation of Part IV)**

(1) Section 102(1) of the Securities and Futures Ordinance (Cap. 571) is amended, in the definition of “approved person”, in paragraph (a), by repealing “or”.

(2) Section 102(1) is amended, in the definition of “approved person”, by adding—

“(aa) in relation to a structured product, means an individual approved by the Commission under section 104A(3); or”.

(3) Section 102(1) is amended, in the English text, in the definition of “representative”, in paragraph (b)(ii), by repealing the full stop and substituting a semicolon.

(4) Section 102(1) is amended, in the Chinese text, in the definition of “獲豁免團體”, by repealing the full stop and substituting a semicolon.

(5) Section 102(1) is amended by adding—

““securities” (證券) has the same meaning as that given by the definition of “securities” in section 1 of Part 1 of Schedule 1 except that it does not include structured products that are securities only because of paragraph (g) of that definition.”.

### **3. Section 103 amended (Offence to issue advertisements, invitations or documents relating to investments in certain cases)**

(1) Section 103(1)(a)(ii) is repealed and the following substituted—

“(ii) a regulated investment agreement or an agreement to acquire, dispose of, subscribe for or underwrite any other structured product; or”.

(2) Section 103(2)(a) is repealed and the following substituted—

“(a) made by or on behalf of an intermediary licensed or registered for Type 1, Type 4 or Type 6 regulated activity (whether acting as principal or agent) in respect of—  
(i) listed securities; or  
(ii) unlisted securities (excluding unlisted securities that are structured products);”.

(3) Section 103(2)(e) is repealed and the following substituted—

“(e) made by or on behalf of a corporation in respect of securities (excluding securities that are structured products) of the corporation, or of a related corporation of the corporation, to—  
(i) holders of securities (excluding securities that are structured products) of the corporation or related corporation;  
(ii) creditors of the corporation or related corporation;  
(iii) employees employed by the corporation or related corporation; or  
(iv) agents acting in a professional capacity on behalf of the corporation or related corporation;”.

- (4) Section 103(2)(*f*) and (*i*) is amended by adding “or structured products” after “securities”.
- (5) Section 103(3) is amended by adding—  
“(ea) of any advertisement, invitation or document made in respect of the issue, whether in Hong Kong or elsewhere, of a currency-linked instrument, an interest rate-linked instrument or a currency and interest rate-linked instrument by an authorized financial institution;”.
- (6) Section 103(3)(*j*) and (*k*) is repealed and the following substituted—  
“(j) of any advertisement, invitation or document made in respect of securities or structured products, or interests in any collective investment scheme, that are or are intended to be disposed of only to persons outside Hong Kong;  
(k) of any advertisement, invitation or document made in respect of securities or structured products, or interests in any collective investment scheme, that are or are intended to be disposed of only to professional investors.”.
- (7) Section 103(5)(*a*) is repealed and the following substituted—  
“(a) as or on behalf of an intermediary licensed or registered for Type 1, Type 4 or Type 6 regulated activity (whether acting as principal or agent) any advertisement, invitation or document made in respect of—  
(i) listed securities; or  
(ii) unlisted securities (excluding unlisted securities that are structured products);”.
- (8) Section 103(6)(*a*) is repealed and the following substituted—  
“(a) in the case of any advertisement, invitation or document made in respect of any of the following to an intermediary licensed or registered for Type 1, Type 4 or Type 6 regulated activity, or a representative of such an intermediary that carries on such a regulated activity for the intermediary—  
(i) listed securities; or  
(ii) unlisted securities (excluding unlisted securities that are structured products);”.

#### 4. Section 104A added

The following is added—

**“104A. Commission may authorize  
structured products**

(1) On an application by any person, the Commission may authorize a structured product, subject to the condition specified in subsection (2) and to any other conditions it considers appropriate.

(2) It is a condition of authorization of a structured product that, at any time when the product is authorized—

(a) there is an individual approved by the Commission under subsection (3) as an approved person for the purpose of being served by the Commission with notices and decisions for the product; and

(b) the Commission is informed—

(i) subject to subparagraph (ii), of the current contact details of the approved person, including, as applicable, the address, telephone and facsimile numbers, and electronic mail address of the approved person;

(ii) if there is any change in those contact details, of the change within 14 days after the change takes place.

(3) For the purposes of subsection (2)(a), on an application by any person, the Commission may approve an individual nominated in the application in respect of a structured product as an approved person for the purpose of being served by the Commission with notices and decisions for the product.

(4) The Commission may at any time, by notice in writing served on the approved person for a structured product—

(a) amend or revoke any of the conditions (other than the condition specified in subsection (2)) imposed, or impose new conditions, in respect of the authorization of the product; or

(b) withdraw the person’s approval under subsection (3).

(5) Without limiting any other ground on which the Commission may refuse to authorize a structured product under subsection (1), the Commission may refuse to do so if it is not satisfied that the authorization is in the interest of the investing public.

(6) An application made under subsection (1) or (3) must be accompanied by any information and documents that the Commission requires.

(7) If the Commission refuses to authorize a structured product, or to approve an individual as an approved person, the Commission must notify the applicant in writing of the refusal and the reasons for it.

(8) The Commission may publish, in any manner it considers appropriate, particulars of a structured product authorized under subsection (1).

(9) Particulars published under subsection (8) are not subsidiary legislation.”.

**5. Section 106 amended (Withdrawal of authorization under section 104 or 105, etc.)**

(1) Section 106 is amended, in the heading, by adding “, 104A” after “104”.

(2) Section 106(1) is amended by adding “an authorization of a structured product under section 104A,” after “scheme under section 104,”.

(3) Section 106(1)(a) is amended by adding “, 104A(6)” after “104(6)”.

(4) Section 106(1)(b) and (c) is amended by adding “, 104A” after “104”.

(5) Section 106(2) is repealed and the following substituted—

“(2) Subject to subsection (3), the Commission must withdraw the authorization of a collective investment scheme, a structured product or the issue of an advertisement, invitation or document on a request in writing made by the approved person for the scheme, product or issue (as the case may be).”.

(6) Section 106(3) is amended by adding “or structured product” before “or of”.

(7) Section 106(3)(a) is amended by adding “or structured product” after “investment scheme”.

(8) Section 106(3)(a) is amended by adding “or product” after “the scheme”.

(9) Section 106(5) is amended by adding “or structured product” after “investment scheme” wherever it appears.

(10) Section 106(5) is amended by adding “, the product” after “the scheme”.

(11) Section 106(6) is amended by adding “or structured product” after “investment scheme” wherever it appears.

(12) Section 106(6) is amended by adding “, the product” after “the scheme”.

**6. Section 107 amended (Offence to fraudulently or recklessly induce others to invest money)**

Section 107(1)(a)(ii) is repealed and the following substituted—



“(ii) a regulated investment agreement or an agreement to acquire, dispose of, subscribe for or underwrite any other structured product; or”.

**7. Section 108 amended (Civil liability for inducing others to invest money in certain cases)**

Section 108(1)(a)(ii) is repealed and the following substituted—

“(ii) a regulated investment agreement or an agreement to acquire, dispose of, subscribe for or underwrite any other structured product; or”.

**8. Section 111 amended (Service of notices, etc. on approved persons)**

Section 111(1)(b) is amended by adding “, 104A(2)(b)” after “section 104(2)(b)”.

**9. Section 182 amended (Investigations)**

(1) Section 182(1)(b)(iii) is amended by adding “structured product,” after “any”.

(2) Section 182(1)(b)(iv) is amended by adding “, structured product” after “any securities” where it twice appears.

(3) Section 182(1)(f) is amended by adding “, 104A” after “section 104”.

**10. Section 213 amended (Injunctions and other orders)**

Section 213(2)(e) is amended by adding “, structured product” after “securities” where it twice appears.

**11. Section 379 amended (Avoidance of conflict of interests)**

(1) Section 379(1) is amended by adding “, structured product” after “securities” where it twice appears.

(2) Section 379(2) is amended by adding “or a structured product” after “holder of securities”.

(3) Section 379(2)(a) is repealed and the following substituted—

“(a) to exchange the securities or structured product or to convert the securities or structured product to another form of securities or structured product;”.

(4) Section 379(2)(c) is amended by adding “or another structured product” after “securities” where it twice appears.

(5) Section 379(2)(d), (e) and (f) is amended by adding “or structured product” after “securities”.

(6) Section 379(3)(a) is amended by repealing “regulated investment agreement” where it twice appears and substituting “structured product”.

(7) Section 379(3)(a)(iii)(A) is amended by repealing “or” at the end.

(8) Section 379(3)(a)(iii) is amended by adding—

“(C) in the case of a structured product, is interests, rights or property based on a structured product of or issued by the same issuer, and of the same class, as that in which he has an interest; or”.

## 12. Section 392 substituted

Section 392 is repealed and the following substituted—

### “392. Financial Secretary to prescribe interests, etc. as securities, etc.

(1) For the purposes of this Ordinance, the Financial Secretary may, by notice published in the Gazette, prescribe, either generally or in a particular case, that—

(a) any interests, rights or property, whether in the form of an instrument or otherwise, or any class or description of any such interests, rights or property, are to be regarded as—

- (i) currency-linked instruments;
- (ii) currency and interest rate-linked instruments;
- (iii) futures contracts;
- (iv) interest rate-linked instruments;
- (v) securities; or
- (vi) structured products; or

(b) any interests, rights or property, whether in the form of an instrument or otherwise, or any class or description of any such interests, rights or property, are not to be regarded as—

- (i) currency-linked instruments;
- (ii) currency and interest rate-linked instruments;

- (iii) futures contracts;
- (iv) interest rate-linked instruments;
- (v) securities; or
- (vi) structured products.

(2) Without limiting subsection (1), a notice under that subsection may prescribe the circumstances under which or the purposes for which any interests, rights or property, or any class or description of any interests, rights or property, referred to in the notice are to be regarded, or not to be regarded, as—

- (a) currency-linked instruments;
- (b) currency and interest rate-linked instruments;
- (c) futures contracts;
- (d) interest rate-linked instruments;
- (e) securities; or
- (f) structured products.”.

### **13. Section 407 amended (Savings, transitional, consequential and related provisions, etc.)**

Section 407 is amended by adding—

“(3) Part 3 of Schedule 10 provides for the savings and transitional arrangements that apply on, or relate to, the commencement of the Securities and Futures and Companies Legislation (Structured Products Amendment) Ordinance 2011 (8 of 2011).”.

### **14. Schedule 1 amended (Interpretation and general provisions)**

(1) Schedule 1 is amended by repealing “[ss. 2, 19, 66, 164, 171, 174, 175, 202 & 406 & Sch. 9]” and substituting “[ss. 2, 19, 66, 102, 164, 171, 174, 175, 202 & 406 & Schs. 9 & 10]”.

(2) Schedule 1 is amended, in section 1 of Part 1, in the definition of “debenture”, by repealing “securities” and substituting “debt securities”.

(3) Schedule 1 is amended, in section 1 of Part 1, in the definition of “financial product”, by adding—

“(e) any structured product;”.

(4) Schedule 1 is amended, in section 1 of Part 1, in the definition of “securities”, in paragraph (f), by repealing “notice,” and substituting “notice;”.

(5) Schedule 1 is amended, in section 1 of Part 1, in the definition of “securities”, by adding—

“(g) a structured product that does not come within any of paragraphs (a) to (f) but in respect of which the issue of any advertisement, invitation or document that is or contains an invitation to the public to do any act referred to in section 103(1)(a) of this Ordinance is authorized, or required to be authorized, under section 105(1) of this Ordinance.”.

(6) Schedule 1 is amended, in section 1 of Part 1, in the definition of “securities”, in paragraph (vi), by adding “(excluding a debenture that is a structured product in respect of which the issue of any advertisement, invitation or document that is or contains an invitation to the public to do any act referred to in section 103(1)(a) of this Ordinance is authorized, or required to be authorized, under section 105(1) of this Ordinance)” after “transferable”.

(7) Schedule 1 is amended, in section 1 of Part 1, by adding—

““currency and interest rate-linked instrument” (貨幣及利率掛鈎票據) means—

(a) an instrument that is a structured product only because some or all of the return or amount due (or both the return and the amount due) or the method of settlement is determined by reference to a combination of—

(i) changes in the value or level (or a range within the value or level) of any one or more currency exchange rates or currency exchange rate indices or the occurrence or non-occurrence of any specified event or events relating to any one or more currency exchange rates or currency exchange rate indices; and

(ii) changes in the value or level (or a range within the value or level) of any one or more interest rates or interest rate indices or the occurrence or non-occurrence of any specified event or events relating to any one or more interest rates or interest rate indices; or

(b) any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as being regarded as currency and interest rate-linked instruments in accordance with the notice,

but does not include any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as not being regarded as currency and interest rate-linked instruments in accordance with the notice;

“currency-linked instrument” (貨幣掛鈎票據) means—

(a) an instrument that is a structured product only because some or all of the return or amount due (or both the return and the amount due) or the method of settlement is determined by reference to one or more of—

(i) changes in the value or level (or a range within the value or level) of any one or more currency exchange rates or currency exchange rate indices; or

(ii) the occurrence or non-occurrence of any specified event or events relating to any one or more currency exchange rates or currency exchange rate indices; or

(b) any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as being regarded as currency-linked instruments in accordance with the notice,

but does not include any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as not being regarded as currency-linked instruments in accordance with the notice;

“interest rate-linked instrument” (利率掛鈎票據) means—

(a) an instrument that is a structured product only because some or all of the return or amount due (or both the return and the amount due) or the method of settlement is determined by reference to one or more of—

(i) changes in the value or level (or a range within the value or level) of any one or more interest rates or interest rate indices; or

(ii) the occurrence or non-occurrence of any specified event or events relating to any one or more interest rates or interest rate indices; or

(b) any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as being regarded as interest rate-linked instruments in accordance with the notice,

but does not include any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as not being regarded as interest rate-linked instruments in accordance with the notice;

“structured product” (結構性產品) has the meaning given by section 1A of this Part;”.

(8) Schedule 1 is amended, in Part 1, by adding—

**“1A. Meaning of “structured product”**

(1) In this Ordinance, subject to subsection (2), “structured product” (結構性產品) means—

(a) an instrument under which some or all of the return or amount due (or both the return and the amount due) or the method of settlement is determined by reference to one or more of—

(i) changes in the price, value or level (or a range within the price, value or level) of any type or combination of types of securities, commodity, index, property, interest rate, currency exchange rate or futures contract;

(ii) changes in the price, value or level (or a range within the price, value or level) of any basket of more than one type, or any combination of types, of securities, commodity, index, property, interest rate, currency exchange rate or futures contract;  
or

(iii) the occurrence or non-occurrence of any specified event or events (excluding an event or events relating only to the issuer or guarantor of the instrument or to both the issuer and the guarantor);

(b) a regulated investment agreement; or

(c) any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as being regarded as structured products in accordance with the notice.

(2) A “structured product” does not include—

(a) a debenture issued for capital fund raising purposes that is convertible into or exchangeable for shares (whether issued or unissued) of the issuer of the debenture or of a related corporation of the issuer;

- (b) a subscription warrant issued for capital fund raising purposes that entitles the holder to subscribe for shares (whether issued or unissued) of the issuer of the warrant or of a related corporation of the issuer;
- (c) a collective investment scheme;
- (d) a depositary receipt;
- (e) a debenture that would come within subsection (1)(a) only because it has a variable interest rate that is reset periodically to equate to a money market or interbank reference interest rate that is widely quoted (whether or not subject to a predetermined maximum or minimum rate) plus or minus a specified rate (if any);
- (f) a product under which some or all of the return or amount due (or both the return and the amount due) or the method of settlement is determined by reference to securities of a corporation, or of a related corporation of the corporation, and that is issued by the corporation only to a person who is—
  - (i) a bona fide employee or former employee of the corporation or of a related corporation of the corporation; or
  - (ii) a spouse, widow, widower, minor child (natural or adopted) or minor step-child of a person referred to in subparagraph (i);
- (g) a product that may be possessed, promoted, offered, sold, printed or published only—
  - (i) under a licence, permission or other authorization under the Betting Duty Ordinance (Cap. 108) or the Gambling Ordinance (Cap. 148); or
  - (ii) under the Government Lotteries Ordinance (Cap. 334);
- (h) an instrument issued in relation to—
  - (i) a contest authorized by section 37 of the Broadcasting Ordinance (Cap. 562); or
  - (ii) a contest included in a service licensed under Part IIIA of the Telecommunications Ordinance (Cap. 106);
- (i) a contract of insurance in relation to any class of insurance business specified in the First Schedule to the Insurance Companies Ordinance (Cap. 41); or

(j) any interests, rights or property prescribed, or of a class or description prescribed, by notice under section 392 of this Ordinance as not being regarded as structured products in accordance with the notice.”.

**15. Schedule 8 amended (Securities and Futures Appeals Tribunal)**

Schedule 8 is amended, in Division 1 of Part 2, by adding—

- |  |   |
|--|---|
| “8A. Section 104A(1) of this Ordinance   | Refusal to authorize a structured product, or imposition of any conditions.             |
| 8B. Section 104A(3) of this Ordinance    | Refusal to approve an individual nominated in respect of a structured product.          |
| 8C. Section 104A(4)(a) of this Ordinance | Amendment or revocation of any condition, or imposition of any new condition.           |
| 8D. Section 104A(4)(b) of this Ordinance | Withdrawal of approval of an individual nominated in respect of a structured product.”. |

**16. Schedule 10 amended (Savings, transitional, consequential and related provisions, etc.)**

Schedule 10 is amended by adding—

“PART 3

SAVINGS AND TRANSITIONAL PROVISIONS RELATING TO  
SECURITIES AND FUTURES AND COMPANIES  
LEGISLATION (STRUCTURED PRODUCTS  
AMENDMENT) ORDINANCE 2011

1. Section 103(1) of this Ordinance does not apply in relation to a structured product that is the subject of—
  - (a) a programme prospectus and its addenda, if any, and an issue prospectus and its addenda, if any, that, before the date of commencement of section 18 of the Securities and Futures and Companies Legislation (Structured Products



Amendment) Ordinance 2011 (8 of 2011), were authorized and registered under section 38D of the Companies Ordinance (Cap. 32); or

- (b) in the case of a company incorporated outside Hong Kong, a programme prospectus and its addenda, if any, and an issue prospectus and its addenda, if any, that, before the date of commencement of section 19 of the Securities and Futures and Companies Legislation (Structured Products Amendment) Ordinance 2011 (8 of 2011), were authorized and registered under section 342C of the Companies Ordinance (Cap. 32).

2. Section 1(a) ceases to have effect in relation to a structured product on the earlier of—

- (a) the earliest of the dates specified in section 8 of Part 1 of the Twenty-first Schedule to the Companies Ordinance (Cap. 32); or
- (b) the day after the last date of the period specified in the issue prospectus as being the period during which the structured product is offered to the public.

3. Section 1(b) ceases to have effect in relation to a structured product on the earlier of—

- (a) the earliest of the dates specified in section 8 of Part 2 of the Twenty-first Schedule to the Companies Ordinance (Cap. 32); or
- (b) the day after the last date of the period specified in the issue prospectus as being the period during which the structured product is offered to the public.

4. For the period of 6 months beginning on the date of commencement of section 14(5) of the Securities and Futures and Companies Legislation (Structured Products Amendment) Ordinance 2011 (8 of 2011), Part V of this Ordinance does not apply in relation to the carrying on of a business in a regulated activity if—

- (a) the business was carried on immediately before that date; and
- (b) the activity is a regulated activity only because of paragraph (g) of the definition of “securities” in section 1 of Part 1 of Schedule 1 to this Ordinance (as added by section 14(5) of the Securities and Futures and Companies Legislation (Structured Products Amendment) Ordinance 2011 (8 of 2011)).”.

PART 3

AMENDMENTS TO COMPANIES ORDINANCE

**17. Section 2 amended (Interpretation)**

(1) Section 2(1) of the Companies Ordinance (Cap. 32) is amended, in the definition of “debenture”, by repealing “securities” and substituting “debt securities”.

(2) Section 2(1) is amended by adding—

““structured product” (結構性產品) has the meaning given by section 1A of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571);”.

**18. Section 38AA added**

The following is added—

**“38AA. Exemption for structured products**

If it is proposed to offer any shares in or debentures of a company that are structured products, the following provisions do not apply in relation to the offer—

- (a) sections 37, 38, 38A, 38B, 38BA, 38C, 38D, 39A, 39B, 39C, 40, 40A, 40B, 41, 41A, 42, 43, 44, 44A, 44B and 48A;
- (b) the Third Schedule; and
- (c) the Seventeenth to the Twenty-second Schedules.”.

**19. Section 342AA added**

The following is added—

**“342AA. Exemption for structured products**

If it is proposed to offer any shares in or debentures of a company incorporated outside Hong Kong that are structured products, the following provisions do not apply in relation to the offer—

- (a) this Part (other than this section);
- (b) the Third Schedule; and
- (c) the Seventeenth to the Twenty-second Schedules.”.

**20. Third Schedule amended (Matters to be Specified in Prospectus and Reports to be set out therein)**

The Third Schedule is amended by repealing “[ss. 2B, 38, 38A, 38D, 42, 342, 342A, 342C & 360 & 2nd, 4th, 20th & 21st Schs.]” and substituting “[ss. 2B, 38, 38A, 38AA, 38D, 42, 342, 342A, 342AA, 342C & 360 & 2nd, 4th, 20th & 21st Schs.]”.

**21. Seventeenth Schedule amended (Offers specified for the purposes of paragraph (b)(ii) of the definition of “prospectus” in section 2(1) of this Ordinance)**

The Seventeenth Schedule is amended by repealing “[ss. 2, 38, 43, 48A, 342 & 360 & 18th Sch.]” and substituting “[ss. 2, 38, 38AA, 43, 48A, 342, 342AA & 360 & 18th Sch.]”.

**22. Eighteenth Schedule amended (Warning, etc. Statements to be contained in certain documents)**

The Eighteenth Schedule is amended by repealing “[ss. 38, 342 & 360 & 17th & 21st Schs.]” and substituting “[ss. 38, 38AA, 342, 342AA & 360 & 17th & 21st Schs.]”.

**23. Nineteenth Schedule amended (Contents and publication requirements of advertisements mentioned in section 38B(2)(e) of this Ordinance)**

The Nineteenth Schedule is amended by repealing “[ss. 38B & 360]” and substituting “[ss. 38AA, 38B, 342AA & 360]”.

**24. Twentieth Schedule amended (Amendment of prospectus consisting of one document)**

The Twentieth Schedule is amended by repealing “[ss. 38A, 39A, 342A, 342CA & 360 & 12th Sch.]” and substituting “[ss. 38A, 38AA, 39A, 342A, 342AA, 342CA & 360 & 12th Sch.]”.

**25. Twenty-first Schedule amended (Provisions in accordance with which a prospectus may consist of more than one document)**

The Twenty-first Schedule is amended by repealing “[ss. 38A, 39B, 342A, 342CB & 360 & 12th & 18th Schs.]” and substituting “[ss. 38A, 38AA, 39B, 342A, 342AA, 342CB & 360 & 12th & 18th Schs.]”.

**26. Twenty-second Schedule amended (Persons specified for the purposes of section 40 of this Ordinance)**

The Twenty-second Schedule is amended by repealing “[ss. 40 & 360]” and substituting “[ss. 38AA, 40, 342AA & 360]”.

PART 4

CONSEQUENTIAL AMENDMENTS

**Inland Revenue Ordinance**

**27. Schedule 16 amended (Specified transactions)**

Schedule 16 to the Inland Revenue Ordinance (Cap. 112) is amended, in the definition of “debenture”, by repealing “securities” and substituting “debt securities”.

**Securities and Futures (Short Selling and Securities Borrowing and Lending (Miscellaneous)) Rules**

**28. Section 2 amended (Interpretation)**

Section 2 of the Securities and Futures (Short Selling and Securities Borrowing and Lending (Miscellaneous)) Rules (Cap. 571 sub. leg. R) is amended, in the Chinese text, in the definition of “證券莊家”, by repealing “結構式產品” and substituting “結構性產品”.

**Securities and Futures (Fees) Rules**

**29. Schedule 1 amended (Fees)**

(1) Schedule 1 to the Securities and Futures (Fees) Rules (Cap. 571 sub. leg. AF) is amended, after item 5, by adding—

“5A. Fee payable on an application under section 104A(1) of the Ordinance for authorization of a structured product \$2,000

5B. Fee payable in respect of authorization of a structured product under section 104A of the Ordinance \$1,000”.

(2) Schedule 1 is amended, in item 8, by adding—

“(d) any structured product \$3,000”.