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## Appointment of new Chief Executive of the HKSI Institute

We are pleased to announce the appointment of Miss Ruth Kung as Chief Executive of the HKSI Institute on 19 October 2016. Miss Kung joined

the HKSI Institute in September 2013 as Executive Director, Education and Development. Being a Certified Public Accountant, Miss Kung is a seasoned professional specialised in learning & development. Prior to joining the HKSI Institute, Miss Kung has served PricewaterhouseCoopers for more than 20 years in various capacities including audit and learning & development.

## Regulatory and Technical Updates

### Cybersecurity review on brokers' internet and mobile trading systems launched by the SFC



The Securities and Futures Commission ("SFC") has commenced a review to assess the cybersecurity preparedness, compliance and resilience of brokers' internet and mobile trading systems.

The review followed a number of reports from securities brokers that the security of some customers' internet and mobile trading accounts has been compromised and unauthorised securities trading transactions were conducted through these accounts.

The major components of the review include:

- issuing questionnaires to small to medium sized brokers to assess relevant cybersecurity features of brokers' internet and mobile trading systems;
- inspecting selected brokers to review their information technology and other related management controls and assess their design and effectiveness in preventing and detecting cyberattacks; and
- benchmarking the SFC's regulatory requirements and market practices in Hong Kong against other major financial services regulators and other relevant market practices overseas and locally.

Cybersecurity management is a priority for the SFC's supervision of licensed corporations. The findings of this review is designed to assist the SFC in setting its policy to improve overall resilience of the markets. The SFC will organise workshops to share the summary of the overall findings with the industry.



## Updates of OTC derivatives market development



On 15 July 2016, the Hong Kong Monetary Authority (“HKMA”) and the SFC issued further consultation conclusions on introducing mandatory clearing and expanding mandatory reporting for the second stage of the over-the-counter (“OTC”) derivatives regulatory regime. Proposals of the further consultation conclusions include:

- withdrawal of the requirement to submit PDF files when reporting transactions;
- further clarification and guidance on filling in specific data fields; and
- acceptance of internal code references when reporting transactions with individuals.



Moreover, on 31 August 2016, the SFC designated four central counterparties (“CCPs”) for the purposes of the mandatory clearing obligation for certain OTC derivative transactions, which took effect on 1 September 2016.

The four CCPs are:

- Chicago Mercantile Exchange Inc;
- Japan Securities Clearing Corporation;
- LCH.Clearnet Limited; and
- OTC Clearing Hong Kong Limited.

## HKEX launched CAS and VCM for securities market

Hong Kong Exchanges and Clearing Limited (“HKEX”) launched its Closing Auction Session (“CAS”) and Volatility Control Mechanism (“VCM”) for securities market on 25 July 2016 and 22 August 2016 respectively.

The CAS will be implemented in two phases. The current Phase 1 covers all the Hang Seng Composite LargeCap Index and Hang Seng Composite MidCap Index constituent stocks, the H shares which have corresponding A shares listed on the exchanges in Mainland China and all exchange-traded funds. Subject to a review of the Phase 1 and approval by the SFC, the Phase 2 will be rolled out at least 6 months after the Phase 1 and will include all equity securities and funds not covered in the Phase 1.

The VCM for securities market covers Hang Seng Index (“HSI”) and Hang Seng China Enterprise Index (“HSCEI”) constituent stocks only. The VCM for derivatives market which covers spot and next calendar month index futures contracts with HSI or HSCEI as their underlying index is confirmed to be launched on 14 November 2016.

## AML concerns in the industry notified by the SFC



In a press release dated 21 September 2016, the SFC reminds licensees to enhance their anti-money laundering (“AML”) internal controls immediately due to the recent investigation of a number of SFC enforcement cases related to suspected inadequate AML internal controls by SFC licensed brokerages.

The SFC identified some areas of concern during its onsite inspections of licensees and AML investigations:

- failure to scrutinise cash and third party deposits into customer accounts;
- ineffective monitoring of transactions in customer accounts;
- inadequate measures to monitor business relationships with customers which present a higher risk of money laundering on a continuous basis;
- inadequate enquiries made to assess potentially suspicious transactions to determine whether or not it is necessary to make a report to the Joint Financial Intelligence Unit, and lack of documentation of the assessment results; and
- failure to monitor and supervise the ongoing implementation of AML and counter-terrorist financing policies and procedures.



## SFC proposes to enhance position limit regime



On 20 September 2016, the SFC issued a consultation on proposed enhancements to the position limit regime to expand its scope and make it more responsive to financial market developments.

Under the proposal, the cap on the excess position limit that may be authorised by the SFC and the statutory position limit for stock options contracts will be increased, and new excess position limits for index arbitrage activities, asset managers and market makers of exchange-traded funds will be introduced. The consultation will be ended on 21 November 2016.

## SFC and SEHK's joint consultation on listing regulation will be ended soon



The joint consultation of the SFC and The Stock Exchange of Hong Kong Limited ("SEHK") on the proposed enhancements to the SEHK's decision-making and governance structure for listing regulation will be ended on 18 November 2016. The deadline of the consultation was originally scheduled on 16 September 2016. It has been extended due to a great deal of interest and a wide range of views expressed since the publication of the consultation paper and given that much of the consultation period coincided with the summer season.

## The HKSI Institute Pays Tribute to Board Director and Senior Fellow Professor Michael A. Firth

The HKSI Institute expresses deepest condolences to the family of Professor Michael A. Firth, who passed away on 24 August 2016.

Professor Firth was the Hong Kong Economic Journal Chair Professor of Finance at the Lingnan University. He was among the first to join the HKSI Institute membership community when the Institute was established almost two decades ago. His involvement in the Institute's work included serving on the Examinations Committee (2008) and the Professional Education Committee (2009 – 2013).

Professor Firth was elected as a Board Director in 2012 and served on the Audit Committee. He was inducted as a Senior Fellow of the HKSI Institute last year in recognition of his important contributions to the development of the HKSI Institute as well as the positive impact he has had on the development of the financial services industry. Professor Firth was a strong believer in developing students' potential and played a leading role in connecting students with financial services professionals through the HKSI Institute's Scholarship and Mentoring Programmes.

Mr John Maguire, Chairman of the HKSI Institute, paid tribute to Professor Firth. "We are all deeply saddened by Michael's passing. Michael was a tremendous ambassador for the HKSI Institute – championing our work to promote professional excellence and actively reaching out and linking us with the academia. He was kind and always ready to help. Michael made many friends within the Institute and he will be greatly missed."

Past Chairman Mr Craig Lindsay also recalled Professor Firth's passion in serving the industry. "Michael worked hard at what he loved. He was a good man, and his relentless commitment and dedication to serve the industry deserves our utmost respect."

Professor Firth's remarkable contributions will long be remembered.

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 Roundtable Luncheon Series

## Mr Charles Li



Mr Charles Li, Chief Executive, Hong Kong Exchanges and Clearing Limited.



Mr Li addressing a full-house audience at the luncheon.



Mr Li with Mr John Maguire and Miss Ruth Kung.

### Stock Connect and beyond: New Missions on a New Journey

HKSI Institute held a roundtable luncheon with Mr Charles Li, Chief Executive of Hong Kong Exchanges and Clearing Limited (HKEX) on 1 September 2016 to speak about “Stock Connect and beyond: New Missions on a New Journey” following the recent approval of Shenzhen-Hong Kong Stock Connect.

Mr Li recapped the essence of Stock Connect, which provides China with an interim model for opening up before it is completely ready for the large-scale arrival of international investors and departure of Chinese domestic investors. It allows investors on each side of the boundary to trade the other market’s products in their home time zone, relying on their home market infrastructure. With the joint oversight of the two regulators, capital flows from China and international markets are able to congregate and interact with each other, facilitating the gradual convergence of the Mainland and international markets.

Mr Li shared his vision for Hong Kong, which is going to change in the next 20 years. In the past, Mainland China was poor and needed capital for development, so Hong Kong served as

a reliable fundraising centre. However, China developed in the intervening 20 years, and no longer lacks funds; it has become a capital-abundant country seeking new investment channels, not more funding ones. In Mr Li’s view, the next 20 years will be marked by the two-way flow of Chinese capital, so it is imperative that Hong Kong adjust in order to continue to provide value to the Mainland while cementing Hong Kong’s position as a global financial centre.

To embrace the changes, Mr Li said the Stock Connect scheme should be a model that gives the market huge confidence to deploy the capital of Mainland China internationally, particularly for the massive amount of capital held by professional investors who want to invest their money in new markets. He shared with the audience the three new missions for the city: that Hong Kong should be China’s global wealth management centre, offshore risk management centre and asset pricing centre.

To achieve the missions outlined above, Hong Kong needs to deepen its value proposition. Mr Li claimed that HKEX is prepared and would continue to roll out various initiatives covering the three asset classes: Equities, Commodities and Fixed Income and Currency (FIC).

In **equities**, there is a need to grow and strengthen Hong Kong’s core listing franchise. HKEX will explore possibilities in developing Primary Equity Connect, which would give investors in Mainland China and overseas the option of subscribing to primary offerings in Hong Kong and the Mainland. For **FIC**, HKEX aspires to become an interest rate and exchange rate pricing hub through developing Bond Connect with Mainland China. On the **commodities** front, Mr Li elaborated that China’s domestic commodities futures markets are top-heavy, with commodities futures traded primarily by pure financial retail investors with limited physical settlement. The country’s physical spot markets are highly fragmented, warehouse systems are not trusted, credit enhancements are unavailable, and financing is difficult to obtain and highly expensive. Mr Li claimed that the plan is to leverage HKEX’s experience in launching new initiatives with the Mainland and bring LME’s successful model there to create an effective spot trading platform, thereby “physicalising” the Mainland’s commodities market.

# Shenzhen-Hong Kong Stock Connect

On 16 August 2016, it was announced that establishment of Shenzhen-Hong Kong Stock Connect has been properly approved by the relevant authorities and the aggregate quota for Shanghai-

Hong Kong Stock Connect was abolished with immediate effect.

The principal arrangements for Shenzhen-Hong Kong Stock Connect

are made with reference to those under Shanghai-Hong Kong Stock Connect with different eligible shares and investment quotas as summarised in the following table:

	Shanghai-Hong Kong Stock Connect	Shenzhen-Hong Kong Stock Connect
<b>ELIGIBLE SHARES</b>	<p>Northbound Trading Link</p> <ul style="list-style-type: none"> <li>constituent stocks of the SSE 180 Index;</li> <li>constituent stocks of the SSE 380 Index; and</li> <li>Shanghai Stock Exchange (“SSE”) listed A shares with a dual listing of H shares on the SEHK,</li> </ul> <p>in each case excluding SSE-listed shares that are:</p> <ul style="list-style-type: none"> <li>not traded in Renminbi (“RMB”); and</li> <li>included in the SSE’s risk alert board.</li> </ul> <p>Southbound Trading Link</p> <ul style="list-style-type: none"> <li>constituent stocks of the Hang Seng Composite LargeCap Index;</li> <li>constituent stocks of the Hang Seng Composite MidCap Index; and</li> <li>shares of all companies listed on both the SSE and SEHK,</li> </ul> <p>in each case excluding shares that are:</p> <ul style="list-style-type: none"> <li>not traded in Hong Kong dollars;</li> <li>H shares which have corresponding shares listed and traded on any exchange in Mainland China other than SSE; and</li> <li>H share issuers that have a corresponding A share included in the SSE’s risk alert board.</li> </ul>	<p>Northbound Trading Link</p> <ul style="list-style-type: none"> <li>any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of RMB6 billion or above;</li> <li>all Shenzhen Stock Exchange (“SZSE”)–listed shares of companies which have issued both A shares and H shares.</li> </ul> <p>Southbound Trading Link</p> <ul style="list-style-type: none"> <li>the constituent stocks of the Hang Seng Composite LargeCap Index and Hang Seng Composite MidCap Index, any constituent stock of the Hang Seng Composite SmallCap Index which has a market capitalisation of HK\$5 billion or above;</li> <li>all SEHK-listed shares of companies which have issued both A shares and H shares.</li> </ul>
<b>INVESTMENT QUOTA</b>	<p>Aggregated quota : Nil</p> <p>Daily quotas:</p> <ul style="list-style-type: none"> <li>Northbound Trading Link is RMB13 billion</li> <li>Southbound Trading Link is RMB10.5 billion</li> </ul>	<p>Aggregated quota : Nil</p> <p>Daily quotas:</p> <ul style="list-style-type: none"> <li>Northbound Trading Link is RMB13 billion</li> <li>Southbound Trading Link is RMB10.5 billion</li> </ul>

To facilitate and meet the need of Mainland China and Hong Kong investors to manage price risks in one another’s stock markets, the China Securities Regulatory Commission (“CSRC”) and the SFC have agreed to jointly study and introduce other financial products. For example, (i) stock exchanges and securities registration and clearing organisations in both the Mainland China and Hong

Kong will formulate and issue or adjust related business rules, as well as actively carry out all preparation work; and (ii) the CSRC and the SFC have reached a consensus to include exchange-traded funds as eligible securities under the Shenzhen-Hong Kong Stock Connect and Shanghai-Hong Kong Stock Connect in due course.

## Way forward

The launch of Shenzhen-Hong Kong Stock Connect is subject to the finalisation of all necessary regulatory approvals, market readiness as well as relevant operational arrangements. It tentatively takes approximately further four months from August to complete the above necessary arrangements.

## WAM Pilot Programme



提升資產財富管理業人才培訓先導計劃  
Pilot Programme to Enhance Talent Training for  
the Asset and Wealth Management Sector

**The Asset and Wealth Management (“WAM”) Pilot Programme** is funded by the HKSAR Government as part of its effort to facilitate the long-term sustainable development of the sector and to strengthen Hong Kong as a premier asset management hub. This three-year programme aims to target at in-service practitioners and undergraduate students with the objectives to attract and expand talent pool across a full spectrum of functional posts within the sector as well as to raise the bar and professional standard of in-service practitioners.

To achieve these objectives, three initiatives in the programme are specifically designed:

1. **Promotion and Education** through career fairs and seminar
2. **Internship Programme** for undergraduate students
3. **Financial Incentive Scheme for Professional Training**, aimed at the in-service practitioners

Hong Kong Securities and Investment Institute (“HKSI Institute”) has been appointed as the Implementation Agent for this WAM Pilot Programme.

## Launching Ceremony-cum-Industry Promotion

The Launching Ceremony-cum-Industry Promotion, which aims to promote the WAM sector, was held on 15 October 2016 and more than 210 industry practitioners, undergraduate students and guests attended on that day.

Professor K.C. Chan, Secretary for Financial Services and the Treasury, addressed the audience by highlighting how the WAM Pilot Programme would help addressing the talent shortage issue in the WAM sector. We were very honored to have

six renowned industry figures sharing their insights of the WAM sector during the panel discussion facilitated by Professor Raymond So, Dean of School of Continuing Education of Hong Kong Baptist University and the two breakout sessions, namely,

- Ms Catherine Cheung, Senior Vice President, Head of Investment Strategy and Portfolio Advisory of Citibank (Hong Kong) Limited
- Mr Luke Chiu, China Market Team Leader, Director of Credit Suisse AG Hong Kong Branch
- Mr Samuel Choi, CEO of Wolver Hill Asset Management Asia Limited
- Mr Timothy Tse, CEO of Value Partners Group Limited
- Mr Jamee Wong, Executive Director of UBS Hong Kong
- Mr Alan Young, Head of Institutional Business – Greater China of Franklin Templeton Investments (Asia) Limited

The growth prospect of the asset and wealth management industry was remarkable especially with the flow of institutional money from China

which would be expected to continue in the future. Ability to strike the right balance between meeting business targets as well as the compliance standard in a tightening regulatory environment is indeed the key to success. Students were advised by our speakers to find out what they were passionate about, their capability and also keep upskilling themselves with appropriate product knowledge, interpersonal and communication skills. Readiness to invest at least three years into each job to adapt to the organisation culture is required to get the most out of it.

## Industry Promotion through Career Fairs and Seminars

Industry promotion hosted by 15 participating organisations from the asset management, private wealth management and industry associations was held simultaneously at the Launching Ceremony. Professor K. C. Chan and our VIPs were all very impressed with the joint collaboration of the WAM sector in supporting this important initiative.



Professor K.C. Chan, Secretary for Financial Services and the Treasury (“FSTB”), Mr Andrew Wong H.Y., Permanent Secretary for FSTB (Financial Services) and Mr John Maguire, Chairman of HKSI Institute were the officiating guests at the launching ceremony.



Professor K.C. Chan encouraged the students to explore different functional posts in the middle and back offices with an open mind.



## Contact Us

For more details, please visit the WAM website or contact the HKSI Institute



The students were all excited about the career prospects and training opportunities offered by the sector in the coming years. Some even managed to establish valuable contacts with industry practitioners for future follow up.



Mr Samuel Choi, Mr Alan Young, Ms Catherine Cheung and Mr Luke Chiu presenting awards of full sets of CFA study manual to the four students who participated actively at the breakout sessions.



## Key Exhibitors

Tons of thanks to the following exhibitors:

Asset Management	Wealth Management	Associations
CSOP Asset Management Limited	Bank of China (Hong Kong) Private Banking	CFA Institute
E Fund Management (HK) Co., Ltd	Bank of Montreal	Chartered Alternative Investment Analyst Association
Franklin Templeton Investments	HSBC Private Bank	Hong Kong Securities and Investment Institute
Invesco Hong Kong Limited	UBS Hong Kong	The Institute of Financial Planners of Hong Kong
Value Partners Group Limited		The Hong Kong Institute of Bankers
		The Hong Kong Society of Financial Analysts

HKSI Institute will continue working closely and collaborating with the key stakeholders to help enhance undergraduate students' understanding of the WAM sector through university visits and internship programme.

## Internship Programme

The four to eight-week internship programme to be offered during the summer of 2017, 2018 and 2019 aims to provide undergraduate students an early exposure to the wide spectrum of career opportunities, including different functional roles in front, middle and back offices, in the WAM sector. All non-final year full-time local undergraduate students of the eight UGC-funded education institutions are eligible to apply.

### Benefits to undergraduate students –

The paid internships offer them the invaluable opportunities to get a taste of a variety of functional posts and career prospects within the WAM sector. Students could benefit from industry practitioners' sharing

of experiences and knowledge, and develop professional contacts during the internship and beyond. This will help widening their career choices and explore various job opportunities within the WAM sector after graduation.

### Benefits to participating organisations –

Participating financial institutions and corporates with business operations in Hong Kong will be paid a maximum of 75% or HK\$7,000 (whichever is the lower) of the monthly honorarium for a period of four to eight weeks. This financial subsidy aims to encourage more employers of various sizes and background to start a new or expand existing internship programme. This will help build a much needed pipeline of talent to address the staff shortage especially in the middle and back office areas such as compliance, risk management, operations and credit.

### Application arrangement –

HKSI Institute is working with the key stakeholders to develop the application guidelines and procedures. Details will be provided in early 2017.

## Financial incentive scheme for professional training – how could in-service practitioners benefit from it?

The financial incentive scheme aims to help in-service practitioners to enhance competency and maintain high level of professionalism to maximise their career potential and options or to acquire the knowledge and skills required for entering the WAM sector. Eligible practitioners can choose from a list of selected WAM related courses and seminars offered on or after 1 October 2016 by the HKSI Institute and The Hong Kong Institute of Bankers. 80% of the course fees, subject to a maximum of HK\$7,000 (whichever is the lower) over the three-year period of the Scheme, will be reimbursed upon satisfactory completion of eligible courses or seminars. This is a win-win situation for the employers, especially the small and medium sized institutions, and practitioners to expand and upgrade the talent pool to meet the growing needs of the industry.

 Fintech Series

## Robo-Advisors

A related segment of financial technology (“Fintech”) that has received a lot of attention is automated investment services, commonly referred to as “robo-advisors”. Robo-advisors are a class of financial advisor that provides portfolio management online with minimal human intervention based on algorithms such as modern portfolio theory (“MPT”) that originally served the traditional advisory community.

Indeed, robo-advisors are expanding rapidly around the world, have already caused a stir in the US and the UK, and are now winning market share in Asia. In August 2016, a Fintech firm announced its plan to launch the first robo-advisor mobile application in Hong Kong. It attracted the attention in the Hong Kong wealth and asset management industry.

### Characteristics

In general, there are five characteristics of robo-advisors:

1. **Accessibility**  
Robo-advisors can be helpful to their clients no matter the amount of wealth and can be reached anywhere at any time.
2. **Transparency**  
Information, such as fee tier and investment methodology, are disclosed.
3. **Diversification**  
Robo-advisors are based on the MPT providing managed risk exposure through diversified portfolios.
4. **Personalisation**  
Robo-advisors offered personalised financial advice and tailored investment portfolio based on clients’ financial goal and position, risk tolerance, and behavioural profile.

5. **Cost**  
With automation or algorithms and minimal or no human intervention, the fees of advisory and wealth management services are drastically reduced. Most robo-advisors seek the mass/emerging affluent by offering fully automated and affordable portfolio management service.

### Point to Note

Facing the Fintech development, some jurisdictions, such as UK, Singapore and Australia, are planning to launch a regulatory sandbox to test out such innovative financial services without incurring all the normal regulatory consequences of engaging in those activities. On 6 September 2016, the Hong Kong Monetary Authority (“HKMA”) set up a Fintech Innovation Hub to facilitate banks, payment service providers, and other industry players to brainstorm innovative Fintech ideas. The HKMA also launched a Fintech Supervisory Sandbox to allow banks to, before applying for authorisation, conduct pilot trials on Fintech and other technology initiatives. As stated by Mr Norman Chan, Chief Executive of the HKMA, in his announcement, the Sandbox allows banks to “try out new Fintech products without the need to achieve full compliance with the HKMA’s usual supervisory requirements”.

In Hong Kong, robo-advisory services are currently subject to the existing regulatory requirements as traditional financial advisory services. The same is true in the US, where robo-advisors are required to register as Registered Investment Advisors with the US Securities and Exchange Commission (“SEC”). In May 2015, the SEC and the Financial Industry Regulatory Authority, Inc. issued an alert to provide investors with guidance before using any robo-advisors, including:

- Understand any terms and conditions, such as the fees and expenses associated with using a robo-advisor or with selling or purchasing investments.
- Consider a robo-advisor’s limitations, such as limited investment options offered by its provider or its affiliated firm, and key assumptions, such as its assumption on economy or change of interest rate.
- Recognise that a robo-advisor’s output directly depends on what information it seeks from you and what information you provide. Also, beware that a robo-advisor may ask questions that are over-generalised, ambiguous, misleading, or designed to fit you into the tool’s predetermined options.
- Be aware that a robo-advisor’s output may not be right for your financial needs or goals, as a robo-advisor may not assess all of your particular circumstances.
- Safeguard your personal information and consider security of a robo-advisor.

### Challenge or Game Changers to the Industry?

The development of robo-advisors may challenge traditional advisors, as many robo-advisors currently had only proposed direct-to-customer services. However, there is a collaborative trend that some robo-advisory providers are offering their digital expertise to traditional advisors so that they can enhance their end client services. These platforms are designed to make the advisors more effective in their work, take care of more clients and simplify the relationship between both of them. Therefore, robo-advisors can benefit from the established structure and heritage of traditional financial advisors and the latter can benefit from the pioneering automated low-cost services of robo-advisors.



# Business Ethics Forum 2016



**Business Ethics Forum**  
Ethics in Action:  
Empowering Businesses through Financial Innovations **2016**

18 November,  
JW Marriott Hotel Hong Kong

**REGISTER NOW!**

## Few weeks to go!

Much has been said about Fintech changing the way we do business, but how do we embrace disruptive technology and stay ahead of the curve? Why does it matter to financial practitioners?

With ethics at the heart of good governance, this year's Business Ethics Forum (BEF), themed ***Ethics in Action: Empowering Businesses through Financial Innovations***, will focus on how ethics and financial innovation can work hand-in-hand in developing a thriving and sustainable Fintech environment.

Join the forum, and keep abreast of Fintech developments and the impact they have on the markets, investors and service providers. Register now to secure your seat!



For details, please visit  
[www.hksi.org/bef2016](http://www.hksi.org/bef2016)



### WELCOME REMARKS

#### Mr John Maguire

Chairman, HKSI Institute

### KEYNOTE ADDRESS

#### Professor KC Chan

Secretary for Financial Services and the Treasury  
The Government of the Hong Kong SAR

### 1<sup>ST</sup> PANEL DISCUSSION

#### Fintech development trends and opportunities

Moderator

#### Professor Alexa Lam

Hon. Fellow, HKSI Institute

Panelists

#### Mr Thomas J Deluca

Chief Executive Officer, AMP Credit Technologies

#### Mr Charles D'Haussy

Head of Fintech, Invest Hong Kong

#### Mr Louis Mak

Chief Executive Officer, I-Access Group

### 2<sup>ND</sup> PANEL DISCUSSION

#### Supervisory support and considerations for financial innovations

Moderator

#### Miss Au King-chi

Hon. Fellow, HKSI Institute

Panelists

#### Ms Rachel Hui

Chief Inspector, Cyber Security Division,  
Cyber Security and Technology Crime Bureau,  
Hong Kong Police Force

#### Mr Li Shu-pui

Executive Director (Financial Infrastructure),  
Hong Kong Monetary Authority

#### Ms Monica Yu

Executive Director, Hong Kong Business Ethics  
Development Centre, ICAC

### LUNCH KEYNOTE

Speaker

#### Mr Arthur Yuen

Deputy Chief Executive,  
Hong Kong Monetary Authority

Moderator

#### Mr Paul Day

Managing Director, Morgan Stanley Asia Limited

### 3<sup>RD</sup> PANEL DISCUSSION

#### Ethical, social and corporate considerations in Fintech implementations

Moderator

#### Mr Paul Chow

Hon. Fellow, HKSI Institute

Panelists

#### Mr Janos Barberis

Founder, FinTech Hong Kong and SuperCharger

#### Mr Steve Monaghan

Regional Director, Head of Edge  
(Group Innovation), AIA Company Limited

#### Mr Edge Zarrella

Clients and Innovation Partner, KPMG China

### SPECIAL ADDRESS

#### Dr Moses Cheng

Chairman, Insurance Authority

### SPECIAL ACKNOWLEDGEMENT

Organising Chair

#### Mr Bonn Liu

Partner, Financial Services, KPMG China

Diamond Sponsor

#### KPMG

Gold Sponsor

#### I-Access Group Limited

Silver Sponsors

#### The Bank of East Asia, Limited

#### HSBC Global Asset Management

#### (Hong Kong) Limited

#### Yunfeng Financial Group Limited

Crystal Sponsor

#### Hong Kong Exchanges and Clearing Limited

Media Partner

#### The Standard

## Know Your Board Director

### Mr Benson Lo



“ Think globally;  
Live ethically;  
Speak eloquently;  
Learn  
contemporaneously. ”

Mr Benson Lo was elected to the Board in 2015. As an active member, he has contributed to the work of HKSI Institute through committees (Membership and Outreach Committees), and event organisation and sponsorship. The full-house members' only horse racing nights and the annual Autumn Dinner are the notable ones.

### Contemporaneous Learning and Growing

Being the very first group of members joining the HKSI Institute, Benson witnessed the journey of HKSI Institute in developing collaboration with key influencers of the financial industry locally and internationally. Having more than 20 years of experience in the stockbroking and fund management, he is well-

known for identifying venture capital investments of consumer products in the Greater China region. “We always need to keep up with the rapid change of the market while managing our portfolio. I found that the HKSI Institute provides high quality and hot-off-the-press events that offer insightful opinions on the ad-hoc topics,” he commented. “It helps the participants to gather various information to analysis the markets in different prospects. The goal of HKSI Institute shares somehow in common with my motto ‘Think globally; Live ethically; Speak eloquently; Learn contemporaneously.’”

As a long-serving member of HKSI Institute, he was on the Membership Committee from 2011 to 2012. He mentioned: “I am honoured to work with the like-minded Committee Members on a mission to promote standard through the membership community and derive the strategy of Membership services to our Members who come from diverse functions in the financial industry.”

“Education is the only means to facilitate social mobility and a ladder for upward movements.” Benson explains why he devotes himself in

philanthropy work of the Hong Kong Society for the Blind and education of non-Chinese speaking ethnic minorities, “We can only help people to master and change their own fate by the acquisition of knowledge.”

### Enthusiastic Networking and Sharing

Benson treasures the opportunity to build meaningful connections through networking events and proactively being the Organising Chair and sponsor of the Autumn Dinner. “When you talk to people in different sectors of the financial industry, you will get the first-hand information from their perspective,” he said. He cited the Autumn Dinner as an example. “The Autumn Dinner gathers the key decision makers in the financial industry to celebrate the accolade awarded Honorary Fellow and Senior Fellows. It is also a good time to catch up with your fellow professionals in the community.”

As a horse owner himself, Benson found similarities between horse racing and investment. “It is important to do a lot of homework, whether it is investing in an asset, buying a horse, or placing your bet,” he said. Benson shared his joyful interests with members of the HKSI Institute by being the host of Horse Racing Evening since 2014. “Our members usually work in a tensed environment. Viewing the exciting races with your colleagues and friends is very relaxing. The pleasant environment encourages members and guests to interact comfortably, which is good for building connections,” Benson said this is how two objectives – build the membership community and reach out to the wider pool of professionals – can be achieved in one programme.

## Know Your Board Director

### Mr Philip Tye



Having served as a Board Director for six years from 2008 to 2014, Phil was re-elected as a Board Director at the HKSI Institute's 2015 Annual General Meeting. In addition to his Board Directorship, Mr Tye is currently the Chairman of the Audit Committee as well as a Member of the Membership and Remuneration Committees.

#### Serving the community

Since he joined our membership community in 2007, Phil has contributed in various capacities. "Over the years, I have served on most, if not all, of the working committees of the HKSI Institute and have a very good understanding of the Institute, how it operates and where its skills lay" Phil says. "I was very keen to come back onto the Board as I feel passionate about the need for talent development in Hong Kong and I am keen to see HKSI play a key role in this regard."

Phil strongly believes that a strong and deep talent pool is vital for the success of our industry. "Hong Kong will need to be sensitive to developments in the global markets and react accordingly to ensure that it maintains its position as one of the leading global financial centers." Phil points out. "In this regard, the HKSI Institute can add value in two ways: (i) provide the high quality training

"It is also very important to take advantage of every opportunity and never stop trying to learn."

opportunities it is known for and develop new programmes as market developments dictate, particularly focusing on young entrants into the market; and (ii) provide the networking opportunities for our Members," Phil elaborates. "The experience of our veteran Members will be invaluable to the development of our younger practitioners. HKSI Institute is excellent at providing the interface between the two with its mentoring programmes."

#### 100% devotion

When asked about the advice for our younger Members and new entrants to the financial services industry, Phil tells us that outside of work, he is a keen ultra-runner and has raced all over the world in various long distance races, including the "4 Deserts" series as well as other races all around Asia, Europe and North America. "Similar to ultra-running, effort is very key for a long-term career – I will rarely fault someone for making an isolated mistake but I will not respect someone who does not give 100% effort towards any task he/she undertakes," Phil says. "It is also very important to take advantage of every opportunity and never stop trying to learn. Our industry is extremely competitive and everyone needs to continue to develop if they are to succeed" Phil adds.

Phil started his career as a Chartered Accountant and moved to Hong Kong 21 years ago. Since 2002, he has been working in the hedge fund industry and is now advising hedge fund managers and other corporates through his company HFL Advisors Limited. "I joined the HKSI Institute as I wanted to gain access to the invaluable training as well as to network with a broad spectrum of the financial services

community in Hong Kong," says Phil. "I also wanted to participate right away to help make a difference to the development of the local industry by contributing my specific experience in the hedge fund industry."

#### Going beyond

Phil witnesses the development of the HKSI Institute over the past years. "It gets better and better, absolutely," Phil says. "The team at HKSI Institute works tirelessly to develop and provide excellent courses for all levels of participants to help them with their growth within the industry."

Phil thinks that the development of the Certified Private Wealth Professional (CPWP) qualification is one of the significant initiatives in recent years. "CPWP has been a great success as it taps into a very real education gap that is needed to coincide with the rapid expansion of the private wealth management industry in Hong Kong." Phil comments. "In addition, the Advanced Learning Platform (ALP) is another ongoing development which I am following with great interest, as it will revolutionise the way in which members of the industry will be able to fulfill their knowledge and training requirements going forward."

"The HKSI is clearly going in the right direction, particularly with the resources dedicated to talent grooming and the ALP," Phil concludes. "HKSI Institute is central to the knowledge and talent generation for the industry and must continue to work closely with all stakeholders – members, the government, regulators and other industry bodies – to ensure the Hong Kong financial sector continues to grow and move forward."



## News and Updates

### New Corporate Members – Category C



### New Individual Members

Mr Beattie Russell William  
 Mr Bok Chung Hong Jonathan  
 Mr Chan Chun Yiu  
 Mr Chan Ka Cheung  
 Mr Chan Ka Wing  
 Miss Chan Lai Man  
 Mr Chan Lok Cho  
 Mr Chan Shiu Kwong  
 Mr Chan Wing Chung  
 Ms Chan Yuen Ting  
 Mr Chan Yui Hang  
 Ms Chang Ching-Wen Jessica  
 Mr Chang Wen Hsiang John  
 Mrs Chen Cheng Yen  
 Mr Chen Liang Yong  
 Mr Chen Weixi  
 Ms Cheng Ching Suen  
 Mr Cheng Chung Yan  
 Mr Cheng Wai Hong  
 Mr Cheong Kwee Heng  
 Miss Cheung Chung Ki Attracta  
 Mr Cheung Hiu Chuen  
 Miss Cheung Ngan Ying  
 Mr Cheung Wai Kit  
 Mr Cheung Yan Yin  
 Mr Chi Stanley Sing Chin  
 Mr Chiu Sai Kar Jaye  
 Mr Choi Sze Ming Sunny  
 Mr Chow Kwok Wai Alan  
 Mr Chu Kin Hang  
 Mr Chui Chi Kwan Patrick  
 Miss Chung Lee Kwan Annie  
 Mr Dong Licheng  
 Mr Durack Christopher James  
 Ms Geffner Xinyue Jasmine  
 Mr Ho Hin Hang  
 Mr Ho Kai Yun  
 Mr Ho Thomas Leo Lai Wai

Mr Hong En  
 Mr Hsu Karman Duff  
 Mr Huang Qiao  
 Mr Kattevilder Jelmer  
 Mr Kei Ka Hung  
 Mr Kok Ka Keung Kenneth  
 Mr Koo Tin Man Kane  
 Mr Krismer Peter Markus  
 Ms Kwan Man Yee  
 Mr Lam Raymond  
 Miss Lam Wing Wing  
 Mr Lam Yip Chai Templeton  
 Mr Lambach Lukas  
 Mr Lau Chi Kong  
 Mr Lau Chun Fai  
 Ms Lau Sze Yan Grace  
 Mr Lau Wai Hung  
 Mrs Lee Eun Ji  
 Mr Lee Kwok Cheong  
 Miss Lee Nga Ying  
 Ms Lee Wai Fun  
 Ms Leong Jennifer  
 Mr Leung Lok Yee  
 Miss Leung Shun Ki  
 Mr Li Wai Kwan  
 Ms Li Wing Man  
 Miss Lim Si Wah  
 Miss Lin Hing Lei  
 Miss Lin Wai Yi  
 Mr Liu Kwok Keung  
 Mr Liu Qiang  
 Mr Lo Ching Kong  
 Miss Lo Tak Lam May  
 Mr Luk Chun Kit  
 Mr Mayer Andrew  
 Ms Menon Divya Venugopal  
 Ms Morikuni Yu  
 Miss Ng Pui Yan

Mr Plumbridge Glen  
 Mr Potter Simon James  
 Mr Rhee Jung Ho  
 Miss Sen Wing Chi  
 Mr Shai Tsz Sing  
 Mr Sham Darrell Bryce  
 Mr Shen Ka Yip Timothy  
 Ms Shi Weijia  
 Mr Solomon Vijay  
 Mr Sum Poon Yun Johnny  
 Mr Tam Tsz Tsung  
 Mr Tang Hoi Man Heymman  
 Ms Tang Pui Ying  
 Mr Tian Jiawei  
 Mr Tong Wan Pan  
 Mr Tsai Chi-Chang  
 Ms Tsang Ching Yi  
 Mr Tsang Yu Shing  
 Mr Tse Jonathan Kamhay  
 Mr Tseung Wing Choi  
 Mr Tye Lee Pang  
 Mr Walsh David John  
 Mr Wang Kaixuan  
 Mr Wong Jermyn Shi Ming  
 Mr Wong Ka Wai  
 Mr Wu Tak Kong  
 Mr Xia Rui  
 Ms Xu Ji  
 Mr Xu Yixuan  
 Mr Xu Zhan  
 Mr Yan Wing Kei  
 Miss Yau Yuk Ling  
 Mr Yeung Tsz Kit Alban  
 Mr Yip Kam  
 Mr Yu Chun Benny  
 Mr Yuen Cyril Sze Ning  
 Mr Yung Cheuk Yin  
 Mr Zhou Fuxing

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