

LE Paper 4 (Regulation of Credit Rating Services)

Syllabus

Topic 1: General regulatory framework

- 1 Background to the industry
- 2 International context of regulating credit rating agencies (“CRAs”)
- 3 Framework of laws and regulations
- 4 Regulators
- 5 Licensing and registration requirements under the Securities and Futures Ordinance (“SFO”)
- 6 Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission
- 7 Management, Supervision and Internal Control Guidelines for Persons Licensed by or Registered with the Securities and Futures Commission
- 8 Personal data
- 9 Anti-money laundering and terrorist financing
- 10 Discipline
- 11 Corporate governance and regulatory supervision

Topic 2: Operational compliance

- 1 Ongoing notification requirements
- 2 Capital requirements
- 3 Record keeping
- 4 Accounts and audit

Topic 3: Code of Conduct for Persons Providing Credit Rating Services

- 1 The CRA's own code of conduct
- 2 The rating process
- 3 Independence and conflicts of interest
- 4 Responsibilities to the investing public and rated entities

Topic 4: Misconduct

- 1 Market misconduct under the SFO
- 2 Consequences of market misconduct
- 3 Improper trading practices