



CHARTERED  
SECRETARIES  
特許秘書

The Hong Kong Institute of Chartered Secretaries  
**Anti-Money Laundering and  
Counter-Terrorist Financing Charter**



## INTRODUCTION

### ARTICLE 1

*The Hong Kong Institute of Chartered Secretaries (HKICS)*, is an independent professional institute representing Chartered Secretaries who are governance professionals in Hong Kong and Mainland China. HKICS is rooted with The *Institute of Chartered Secretaries and Administrators (ICSA)* in the United Kingdom with 9 divisions internationally and over 30,000 members and 10,000 students. It is also a Founder Member of the *Corporate Secretaries International Association (CSIA)*, an international organisation comprising 16 national member organisations to promote good governance globally.

### ARTICLE 2

HKICS members as gatekeepers of good governance and part of the senior management team serve as trusted advisers to boards and decision makers. They uphold and discharge the highest standards of corporate governance, effective operations, compliance and administration along with various regulatory roles. For the purposes of the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Cap 615) and associated guidelines, HKICS members may serve as suitable certifiers for corporate records. They may also, amongst their other regulatory rights and privileges, serve as company secretaries of listed issuers along with barristers, solicitors and certified public accountants. HKICS and its members as governance professionals have a role in promoting anti-money laundering and counter-terrorist financing (AML/CFT) best practices.

## PURPOSE OF CHARTER

### ARTICLE 3

HKICS has invited the founding subscribers (*Founders*) to subscribe to this *HKICS AML/CFT Charter (Charter)* and to seek HKICS's accreditation as *HKICS AML/CFT Organisations* as part of self-regulation of *Corporate Service Providers (CSPs)*. This Charter shall subsequently be open for subscription by other subscribers willing to subscribe and to seek accreditation as HKICS AML/CFT Organisations as with the Founders.

### ARTICLE 4

By subscribing to this Charter, the accredited HKICS AML/CFT Organisations agree and undertake with HKICS to adhere to HKICS's overall object of promoting good governance, including as to AML/CFT best practices by (1) faithfully complying with this Charter and its related obligations, and (2) authorising and empowering HKICS to take all reasonable steps to achieve *AML/CFT Self-Regulation* amongst themselves.

## ARTICLE 5

All HKICS AML/CFT Organisations further agree and undertake with HKICS that for the duration it remains accredited as an HKICS AML/CFT Organisation it shall be obliged to (1) continually comply with this Charter and its related obligations, and (2) employ as a member of its senior management a 'fit and proper' person as *Responsible Person* to ensure compliance by the HKICS AML/CFT Organisation with this Charter and its related obligations.

## ARTICLE 6

The Responsible Person may delegate day-to-day compliance of this Charter and its related obligations to competent personnel, including compliance officers, *provided that* the Responsible Person shall bear ultimate responsibility for ensuring compliance by the HKICS AML/CFT Organisation with this Charter and its related obligations.

## HKICS AML/CFT ORGANISATIONS

### ARTICLE 7

Any organisation with (1) substantial business interest as a CSP (2) willing to comply with this Charter and its related obligations, and to (3) designate a Responsible Person for the purposes of ensuring compliance with this Charter and its related obligations, may apply to HKICS to be admitted as an HKICS AML/CFT Organisation.

### ARTICLE 8

HKICS retains the sole and absolute discretion to determine whether to admit and accredit any organisation as an HKICS AML/CFT Organisation, and the appropriate timing for admission. HKICS may require such further information and documents to demonstrate that the organisation's AML/CFT practices will enable it to comply with this Charter and its related organisations prior to acceding to any application for subscription and accreditation as an HKICS AML/CFT Organisation. Additionally, HKICS will require an agreement and undertaking by the HKICS AML/CFT Organisation and its Responsible Person to comply and ensure compliance, as the case may be, by the HKICS AML/CFT Organisation of this Charter and its related obligations and to provide such confirmation, information and statistics required by HKICS from time to time on confidential basis to monitor such compliance to the extent permitted under applicable laws and regulations.

## ARTICLE 9

An HKICS AML/CFT Organisation or a Responsible Person may with prior written notification to HKICS replace or, as the case may be, resign as Responsible Person of the HKICS AML/CFT Organisation. The information relating to the notification for such replacement and resignation may be published by HKICS on its website. The HKICS AML/CFT Organisation shall, unless HKICS provides further time, appoint another person as Responsible Person, subject to requisite adherence procedures and standards acceptable to HKICS to demonstrate the replacement Responsible Person's willingness to comply and ensure the HKICS AML/CFT Organisation's compliance with this Charter and its related obligations.

## ARTICLE 10

HKICS shall maintain a register of HKICS AML/CFT Organisations and Responsible Persons, and publish an updated list of them from time to time on its website for public information, along with such annotations or comments it deems appropriate as reasonably necessary for the implementation of the Charter and its related obligations. An organisation or person who is not on, or ceases to be on such list shall not be held out by any organisation or person as an HKICS AML/CFT Organisation or a Responsible Person respectively.

## INTERNATIONAL OBLIGATIONS

### ARTICLE 11

An HKICS AML/CFT Organisation has the obligation, by virtue of subscription and accreditation as an HKICS AML/CFT Organisation to comply with *The Financial Action Task Force (FATF) Recommendations, International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation (FATF Recommendations)* (as amended or replaced) relating to Designated Non-Financial Businesses and Professions (DNFBP) along with such other international obligations consistent with promoting AML/CFT best practices and Hong Kong as an international financial centre.

### ARTICLE 12

Without limitation to the generality of the foregoing, an HKICS AML/CFT Organisation is required to identify, assess and take effective action to mitigate their money laundering and terrorist financing risks (in accordance with FATF Recommendation 1) including ensuring adequate customer due diligence, record keeping, taking additional measures for specific high risks customers and activities, dealing with risks from new technologies and placing only appropriate reliance on third parties, and adopting robust procedures to reporting of suspicious transactions.

## ADVISORY BOARD

### ARTICLE 13

HKICS shall establish an *Advisory Board* to provide it with advice on matters pertaining to implementing this Charter and its related obligations to promote and advance AML/CFT standards for CSPs, and to liaise with relevant external stakeholders, including the Government and other appropriate regulatory or international organisations, on the latest developments of AML/CFT issues in relation to DNFBP, as and when appropriate. HKICS may also, subject to applicable HKICS disciplinary rules, consult the Advisory Board on disciplinary matters relating to material breach of this Charter and its related obligations. The initial Advisory Board shall comprise of up to (1) three invitees expected to be of contribution to HKICS's AML/CFT self-regulation efforts (2) three independent *HKICS Council* members, and (3) an HKICS Secretariat staff as secretary and convenor to support the work of the Advisory Board. All appointments to the Advisory Board is on a year-to-year basis at the invitation of HKICS's Council *provided that* HKICS retains the right at any time with cause to remove or replace any Advisory Board member prior to the end of any relevant term. HKICS which may also establish and delegate other authorities to various committees, sub-committee, workgroups or persons as it deems appropriate, in addition to the Advisory Board which is advisory in nature.

## RESPONSIBLE PERSON

### ARTICLE 14

In addition, to ensuring compliance with this Charter and its related obligations a Responsible Person also has a wider duty to promote and advance AML/CFT standards for CSPs and to authorise and empower HKICS to achieve Self-Regulation amongst HKICS AML/CFT Organisations.

## HKICS DISCIPLINE

### ARTICLE 15

In case of non-compliance in any material respect with this Charter and its related obligations, the Responsible Person will be held professionally responsible and subject to *HKICS Discipline*, and by necessity, there may need for a finding as to whether the HKICS AML/CFT Organisation is in material breach of the Charter or its related obligations for which the HKICS AML/CFT Organisation will have a right to be heard in accordance with the rules of natural justice. For the avoidance of doubt, the Responsible Person shall be liable for any antecedent breach prior to ceasing to act as Responsible Person of the HKICS AML/CFT Organisation.

## ARTICLE 16

It may be a defence or mitigation to any action for HKICS Discipline for the Responsible Person to demonstrate that (1) active steps have been taken by the HKICS AML/CFT Organisation to adopt appropriate internal controls and procedures to combat ML/FT risks and that (2) the failure to comply with the Charter and its related obligations will not have been reasonably contemplated by a reasonable person in the position of the Responsible Person or a person with the additional experience and expertise of the Responsible Person, whichever more stringent.

## ARTICLE 17

Pending any investigation of an HKICS AML/CFT Organisation or Responsible Person, HKICS retains the sole and absolute discretion to remove the HKICS AML/CFT Organisation and the Responsible Person, as the case may be, from its approved list on a temporary basis; and in the event of an adverse HKICS finding of any material breach of the Charter and its related obligations the HKICS AML/CFT Organisation and the Responsible Person, or any of them, may be removed from the list for such duration upon such conditions for reinstatement, or permanently, as determined in the absolute discretion by HKICS as appropriate in the circumstances. HKICS is also permitted to share any adverse findings and the basis therefor with regulators and/or other professional bodies for which the Responsible Person may be subject to discipline.

## THE SUBSCRIBERS

### ARTICLE 18

The Founders and all future subscribers and their respective HKICS AML/CFT Organisations and Responsible Persons are subject to the same obligations under this Charter and are required to promote the objectives of enhancing AML/CFT industry standards and AML/CFT Self-Regulation amongst HKICS AML/CFT Organisations by HKICS.

## WHISTLEBLOWING

### ARTICLE 19

An HKICS AML/CFT Organisation is required to establish adequate and effective whistleblowing policies subject to and otherwise in accordance with applicable laws and regulations as an important element of its AML/CFT compliance programme.

## HKICS CHARTER

### ARTICLE 20

HKICS reserves the right to amend this Charter and to supplement thereto such administrative matters, interpretations and guidance from time to time as it deems appropriate, including based upon the recommendations of the Advisory Board from time to time, which shall be binding upon all HKICS AML/CFT Organisations and Responsible Persons as part of the Charter.

### ARTICLE 21

HKICS retains the sole and absolute discretion to determine in good faith all discretions and interpretations under or pursuant to this Charter, which shall not be subject to challenge by any HKICS AML/CFT Organisation, its Responsible Person or any other persons.

## SUBSCRIPTION AS UNDERTAKING

### ARTICLE 22

The subscription by the Founders and further HKICS AML/CFT Organisation shall be deemed an agreement and undertaking to comply with the terms and provisions of this Charter and its related obligations for the duration it remains an HKICS AML/CFT Organisation.

## APPLICABLE LAW

### ARTICLE 23

This Charter shall be governed and interpreted in accordance with the laws of Hong Kong.

17 May 2016

*We, the undersigned, being Founders of this Charter agree and undertake with HKICS for the duration we remain an HKICS AML/CFT Organisation to adhere to HKICS's stated object of promoting good governance, including to adopt appropriate AML/CFT best practices, and to authorise and empower HKICS to achieve AML/CFT Self-Regulation amongst ourselves through faithfully complying with this Charter and its related obligations, and we agree for HKICS to open up for subscription this Charter by other subscribers willing to establish themselves as an HKICS AML/CFT Organisation by adhering to this Charter and its related obligations.*

(In alphabetical order)

ERNST & YOUNG COMPANY SECRETARIAL SERVICES LIMITED

Sd. Tracy Ho

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Tracy Ho - Tax Managing Partner, Hong Kong & Macau

McCABE SECRETARIAL SERVICES LIMITED

Sd. Lau Mei Po, Teresa

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Lau Mei Po, Teresa ACIS ACS - Director

REANDA EFA SECRETARIAL LIMITED

Sd. Sie Ki

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Sie Ki FCIS FCS(PE) – Company Secretary

SW CORPORATE SERVICES GROUP LIMITED

Sd. Maurice Ngai

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Dr Maurice Ngai FCIS FCS(PE) – Director and CEO

TRICOR SERVICES LIMITED

Sd. Natalia Seng

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Natalia Seng FCIS FCS(PE) – Chief Executive Officer –  
China & Hong Kong, Tricor Group/Tricor Services Limited

VISTRA CORPORATE SERVICES (HK) LIMITED

Sd. Martin Crawford

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Martin Crawford – Chief Executive Officer

Accepted by:

THE HONG KONG INSTITUTE OF CHARTERED SECRETARIES  
(Incorporated in Hong Kong with limited liability by guarantee)

Sd. Ivan Tam

Sd. Paul Moyes

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Ivan Tam FCIS FCS – President, HKICS

Paul Moyes FCIS FCS – Council Member and Chairman of Professional Services Panel, HKICS

Witnessed by:

Sd. Mohan Datwani

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Mohan Datwani FCIS FCS(PE), Solicitor/Draftsman  
Senior Director and Head of Technical and Research, HKICS