

**APPLICATION BY AN INDIVIDUAL FOR RENEWAL OF A MONEY LENDERS LICENCE
FOR A SOLE PROPRIETOR OR FOR A PARTNERSHIP**

Supplementary Information Sheet (Form SIS-4)

Section 1 : Basic Information (Note 2)

Name of the licensee	
MLR Number	
Business Registration Number <i>(please provide the first 8 digits)</i>	
Contact person <i>(mainly for the information completed on this form)</i>	Name : Telephone No. : Email Address :
Email Address	
Website Address	
Number of Employees (including both full-time and part-time employees)	Full time: Part-time:
Major types of customer loans	<input type="checkbox"/> Unsecured Personal Loans <input type="checkbox"/> Other Unsecured Loans <input type="checkbox"/> Secured Loans (excluding property mortgage loan) <input type="checkbox"/> Property Mortgage Loans <input type="checkbox"/> Others (please specify)
Major source of funding	<input type="checkbox"/> Bank borrowings <input type="checkbox"/> Funds from proprietor / partners <input type="checkbox"/> Debt instruments <input type="checkbox"/> Intra-conglomerate borrowings <input type="checkbox"/> Other liabilities (please specify)
Sources of new customers	<input type="checkbox"/> Introduction / referral <input type="checkbox"/> Walk-in <input type="checkbox"/> Others (please specify)
Majority-owned by or related entity of a licensed corporation under the Securities and Futures Ordinance (Cap. 571) ("SFO")	<input type="checkbox"/> Yes; Name of the licensed corporation(s): <input type="checkbox"/> No
Majority-owned by or related entity of an authorized institution <small>(Note 3)</small> under the Banking Ordinance (Cap.155)	<input type="checkbox"/> Yes; Name of the authorized institution(s): <input type="checkbox"/> No

<p>Majority-owned by or related entity of an insurance company ^(Note 4)</p>	<p><input type="checkbox"/> Yes; Name of the insurance company(ies):</p> <p><input type="checkbox"/> No</p>
<p>Majority-owned by or related entity of an approved trustee ^(Note 5) under the Mandatory Provident Fund Schemes Ordinance (Cap. 485)</p>	<p><input type="checkbox"/> Yes; Name of the approved trustee(s):</p> <p><input type="checkbox"/> No</p>
<p>Majority-owned by or related entity of an overseas banking group, or other overseas financial institution group</p>	<p><input type="checkbox"/> Yes; Name of the group(s):</p> <p>Assets consolidated into the group(s): HK\$ _____</p> <p><input type="checkbox"/> No</p>
<p>Majority-owned by or related entity of a listed company or overseas listed company</p>	<p><input type="checkbox"/> Yes; Name of the listed company(ies):</p> <p><input type="checkbox"/> No</p>
<p>Majority-owned by or related entity of a property developer</p>	<p><input type="checkbox"/> Yes; Name of the property developer(s):</p> <p><input type="checkbox"/> No</p>

Section 2 : Financial Information

2.1 Abridged Statement of Financial Position as at (/ /)
(day / month / year)

(Please provide the most recent financial data below and specify the date of the relevant Statement of Financial Position)

Major items	HK\$ Million
Assets	
(1) Total customer loans (i.e. loans made to general public) ^(Note 6) = (i) + (ii) + (iii) + (iv)	
(a) maturing within 6 months (i)	
(b) maturing over 6 months and within 12 months (ii)	
(c) maturing over 12 months and within 60 months (iii)	
(d) maturing over 60 months (iv)	
(2) Total intra-conglomerate loans = (v) + (vi) + (vii) + (viii) <i>(i.e. loans made to the companies within a group)</i>	
(a) maturing within 6 months (v)	
(b) maturing over 6 months and within 12 months (vi)	
(c) maturing over 12 months and within 60 months (vii)	
(d) maturing over 60 months (viii)	
(3) Liquid assets ^(Note 7)	
(4) Credit assets other than customer loans, intra-conglomerate loans and liquid assets ^(Note 8) = (ix) + (x) + (xi) + (xii)	
(a) maturing within 6 months (ix)	
(b) maturing over 6 months and within 12 months (x)	
(c) maturing over 12 months and within 60 months (xi)	
(d) maturing over 60 months (xii)	
(5) Other assets = (xiii) + (xiv) Please specify: _____	
(a) maturing within 12 months (xiii)	
(b) maturing over 12 months (xiv)	
(6) Total assets ^(Note 9) = (1) + (2) + (3) + (4) + (5)	
of which	
(a) maturing within 12 months	
(b) are claims on ^(Note 10) licensed corporations under the SFO in Hong Kong	
(c) are claims on ^(Note 10) authorized institutions ^(Note 3) in Hong Kong	
(d) are claims on ^(Note 10) insurance companies ^(Note 4) in Hong Kong	

Major items		HKS Million
(e) are claims on ^(Note 10) pension funds ^(Note 11) in Hong Kong		
(f) are claims on ^(Note 10) other financial institutions / funds ^(Note 12) in Hong Kong		
(g) are claims on ^(Note 10) financial institutions outside Hong Kong		
(h) are claims on ^(Note 10) listed companies in Hong Kong		
(i) are claims on ^(Note 10) listed companies outside Hong Kong		
Liabilities		
(7) Total bank borrowings = (xv) + (xvi)		
comprising:	(a) borrowings from banks operating in Hong Kong, including borrowings from Hong Kong branches of overseas banks (xv)	
	(b) borrowings from banks not operating in Hong Kong (xvi)	
(8) Total debt instruments issued and outstanding		
(9) Total intra-conglomerate borrowings		
(10) Other liabilities Please specify: _____		
(11) Funds from proprietor / partners		
(12) Total liabilities ^(Note 9) = (7) + (8) + (9) + (10) + (11)		
of which		
(a) maturing within 12 months		
(b) are liabilities to ^(Note 13) licensed corporation under SFO in Hong Kong		
(c) are liabilities to ^(Note 13) authorized institutions ^(Note 3) in Hong Kong		
(d) are liabilities to ^(Note 13) insurance companies ^(Note 4) in Hong Kong		
(e) are liabilities to ^(Note 13) pension funds ^(Note 11) in Hong Kong		
(f) are liabilities to ^(Note 13) other financial institutions / funds ^(Note 12) in Hong Kong		
(g) are liabilities to ^(Note 13) financial institutions outside Hong Kong		
(h) are liabilities to ^(Note 13) listed companies in Hong Kong		
(i) are liabilities to ^(Note 13) listed companies outside Hong Kong		
(13) Off-balance sheet items – Total ^(Note 14)		
of which Credit risk exposure type ^(Note 15)		

2.2 Breakdown of Total Customer Loans

Breakdown of Total Customer Loans (Item 1 in Section 2.1)		HK\$ Million
Personal loans (A) = (B) + (C)		
Unsecured personal loans (B)		
Secured personal loans (C) = (D) + (H) + (I) + (J)		
Major items	HK\$ Million	
Personal loans secured by properties (D) = (E1) + (E2) AND = (F1) + (F2) AND = (G1) + (G2) + (G3)		
<u>Of the total property mortgage loans stated in (D) above</u>		
● Secured by residential properties (E1)		
● Secured by commercial / industrial properties (E2)		
<u>Of the total property mortgage loans stated in (D) above</u>		
● For financing the purchase of residential property(ies) concerned (F1)		
● For any other purposes (F2)		
<u>Of the total property mortgage loans stated in (D) above</u>		
● First mortgages (G1)		
● Second mortgages (G2)		
● Third or subsequent mortgages (G3)		
Personal loans secured by securities (H)		
Personal loans secured by vehicles / licences (e.g. taxi, minibus) (I)		
Other secured personal loans (J) Please specify: _____		
Corporate loans (K) = (L) + (M)		
Unsecured corporate loans (L)		
Secured corporate loans (M) = (N) + (R) + (S) + (T) + (U)		
Corporate loans secured by properties (N) = (O1) + (O2) AND = (P1) + (P2) AND = (Q1) + (Q2) + (Q3)		
<u>Of the total property mortgage loans stated in (N) above</u>		
● Secured by residential properties (O1)		
● Secured by commercial / industrial properties (O2)		
<u>Of the total property mortgage loans stated in (N) above</u>		
● For financing the purchase of residential property(ies) concerned (P1)		
● For any other purposes (P2)		

Major items	HK\$ Million	HK\$ Million
<u>Of the total property mortgage loans stated in (N) above</u>		
● First mortgages (Q1)		
● Second mortgages (Q2)		
● Third or subsequent mortgages (Q3)		
Corporate loans secured by securities (R)		
Corporate loans secured by vehicles / licences (e.g. taxi, minibus) (S)		
Corporate loans secured by machinery (T)		
Corporate loans secured by others (U) Please specify: _____		
Total customer loans = (A) + (K) ^(Note 6)		

2.3 Financial Statement

Please attach a copy of the Financial Statement in support of the information provided in Sections 2.1 and 2.2	
Period covered by the Financial Statement	

2.4 Loans referred by third party(ies) ^(Note 16)

Total amount of customer loans = (1) of Section 2.1		
Loans referred by third party(ies)	Amount:	% of total customer loan
Loans not referred by third party(ies)	Amount:	% of total customer loan

Section 3 : Operational Information

3.1	Have you / the partnership been the subject of complaints to the Police regarding your money lender business since the granting of the last money lenders licence?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.2	Have you / the partnership received any warning letters from the Police Licensing Office since the granting of the last money lenders licence?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.3	Have you / the partnership complied with all the provisions of the Money Lenders Ordinance in carrying on the money lender business since the granting of the last money lenders licence?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Section 4 : Money Laundering and Terrorist Financing Risk Management and Control

4.1	<p>Have you / the partnership put in place adequate and appropriate policies, procedures and controls to comply with the anti-money laundering and counter-terrorist financing (AML/CTF) requirements, including but not limited to compliance management arrangements, ongoing employee training programme and independent audit function to test the AML/CTF system, as evidenced by policy statement(s) or other written documents?</p> <p>If not, please explain:</p> <hr/> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.2	<p>(a) Before establishing business relationships with customers or before carrying out transactions for customers, have you / the partnership taken customer due diligence (CDD) measures to identify and verify the identity of the customers and their beneficial owners?</p> <p>If not, please explain:</p> <hr/> <hr/> <hr/> <p>(b) Before establishing business relationships with customers or before carrying out transactions for customers, have you / the partnership obtained information on the purpose and intended nature of the business relationships established with you / the partnership?</p> <p>If not, please explain:</p> <hr/> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
		<input type="checkbox"/> Yes	<input type="checkbox"/> No

	<p>(c) Have you / the partnership conducted ongoing due diligence on the business relationship, including ensuring that the transactions being conducted are consistent with your / the partnership’s knowledge of the customer, the customer’s business and risk profile, including where necessary, the source of funds, and ensuring that documents, data or information collected under the CDD process is kept up-to-date and relevant, by undertaking reviews of existing records, particularly for higher risk categories of customers?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.3	<p>(a) Have you / the partnership kept records of customers obtained through CDD measures throughout the continuance of the business relationships with the customers and for a period of at least 5 years after the end of business relationships?</p> <p>If not, please explain:</p> <hr/> <hr/> <p>(b) Have you / the partnership kept records of transactions for at least 5 years after the completion of transactions?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.4	<p>Have you / the partnership carried out enhanced CDD measures when dealing with situations which present a high risk of money laundering or terrorist financing (e.g. customers have not been physically present for identification purposes or where the customers or beneficial owners are politically-exposed persons (PEPs) or from high-risk jurisdictions or from countries for which this is called for by the Financial Action Task Force (FATF)) ^(Note 17)?</p> <p>If not, please explain:</p> <hr/> <hr/> <p>Is your / the partnership’s approval needed before establishing such business relationship?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.5	<p>Did you / the partnership rely on third parties (“intermediaries”) to carry out CDD measures or introduce business?</p> <p>If not, please skip 4.5(a), (b) and (c).</p> <p>If yes, :</p> <p>(a) Are the third parties financial institutions ^(Note 18), lawyers, accountants, trust or company service providers or estate agents?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

	<p>(b) Have the third parties consented in writing to be your / the partnership's intermediaries?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<p>(c) Are you / the partnership satisfied that:</p> <p>(i) the intermediaries will carry out CDD measures to identify and verify the identity of the customers and their beneficial owners?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<p>(ii) the intermediaries will on request provide a copy of any document, or a record of any data or information, obtained by the intermediaries in the course of carrying out CDD measures without delay?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<p>(iii) the intermediaries have measures in place for compliance with CDD and record-keeping requirements?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>4.6</p>	<p>Have you / the partnership put in place risk assessment systems or procedures to assess money laundering and terrorist financing risks prior to the launch or use of new products, practices and technologies?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>4.7</p>	<p>Have you / the partnership put in place a system or procedures to submit suspicious transaction reports to the Joint Financial Intelligence Unit as required under the Organized and Serious Crimes Ordinance (Cap. 455), Drug Trafficking (Recovery of Proceeds) Ordinance (Cap. 405) and United Nations (Anti-Terrorism Measures) Ordinance (Cap. 575)?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

4.8	<p>Have you / the partnership provided staff with appropriate training on prevention and detection of money laundering and terrorist financing activities, including training to raise their awareness of business practices against money laundering or terrorist financing?</p> <p>If yes, how is the effectiveness of the training monitored?</p> <hr/> <hr/> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.9	<p>Have you / the partnership provided staff with policies or guidelines in relation to the conduct of CDD, criteria for identifying suspicious transactions, and relevant AML/CTF measures for reference?</p> <p>If not, please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.10	<p>Do you / the partnership have any foreign branches or majority-owned companies?</p> <p>If yes, have you / the partnership ensured that the branches and companies apply AML/CTF measures consistent with your / the partnership's programme?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No
4.11	<p>Please describe how you / the partnership established an independent audit function to enable you / the partnership to carry out your / its responsibilities, including independent reviews of your / its AML/CTF systems.</p> <hr/> <hr/> <hr/> <hr/> <hr/>		
4.12	<p>(a) Are you / the partnership operating as a financial group?</p> <p>If not, please skip 4.12(b).</p> <p>(b) If yes, have you / the partnership implemented group-wide programmes against money laundering and terrorist financing, which should be applicable, and appropriate to, all branches and majority-owned companies of the financial group?</p> <p>If the answer to (b) is "No", please explain:</p> <hr/> <hr/>	<input type="checkbox"/> Yes <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No

Section 5 : Risk Assessment

Customer Risk		
5.1	Total number of customers <i>(since the date of granting the last money lenders licence)</i>	_____
5.2	In relation to customers' residence	
	(a) Number of customers with residence in or connection with countries subject to sanctions, embargos or similar measures issued by, for example, the United Nations	_____
	(b) Number of customers with residence in or connection with countries/areas identified by credible sources ^(Note 19) as:	
	(i) providing funding or support for terrorist activities or that have designated terrorist organisations operating within them	_____
	(ii) having significant levels of corruption or other criminal activity	_____
	(iii) lacking appropriate AML/CTF laws, regulations and other measures including countries identified by the statements of FATF as having weak AML/CTF regimes	_____
	(c) Total number of customers involved in the risk factors under Section 5.2(a) and (b) <i>(note: a customer involved in more than one risk factors should be counted once only)</i>	_____
5.3	In relation to customers	
	(a) Number of customers who are sanctioned by the relevant national competent authority for non-compliance with the applicable AML/CTF regime	_____
	(b) Number of customers who is a PEP or whose family members or close associates are PEPs (including where a beneficial owner of the customer is a PEP)	_____
	(c) Number of customers whose primary source of income originates from high-risk jurisdictions	_____
	(d) Number of customers with complex or non-transparent ownership/control structure (for example, structure involving multiple layers, different jurisdictions, trusts, the use of bearer shares etc)	_____
	(e) Number of customers having been mentioned in negative news reports from credible media, particularly those related to predicate offences for money laundering and terrorist financing or to financial crimes	_____
	(f) Number of customers engaging in, or deriving wealth or revenues from, a high-risk cash-intensive business	_____
	(g) Number of customers who have funds that are obviously and inexplicably disproportionate to their circumstances (e.g. their age, income, occupation or wealth)	_____

	(h) Number of customers with substantial business operation outside Hong Kong	_____
	(i) Total number of customers involved in the risk factors under Section 5.3(a) to (h) <i>(note: a customer involved in more than one risk factors should be counted once only)</i>	_____
Product / Service Risk		
5.4	Total amount of loans (HK\$ Million) <i>(since the date of granting the last money lenders licence)</i>	_____
5.5	Total number of loans <i>(since the date of granting the last money lenders licence)</i>	_____
	of which	
	(a) Number of loans with the size within HK\$1 million	_____
	(b) Number of loans with the size over HK\$1 million and within HK\$5 million	_____
	(c) Number of loans with the size over HK\$5 million	_____
5.6	In relation to customer loans	
	(a) Number of loans either wholly or partially paid out to third parties	_____
	(b) Number of loans involving repayment (including principal, interest or any other fee) received from, or repayment instructions given by, associated, unknown or unexpected third parties	_____
	(c) Total number of loans involved in the risk factors under Section 5.6(a) and (b) <i>(note: a loan involved in more than one risk factors should be counted once only)</i>	_____
	(d) Number of loans involving repayment using physical cash	_____
	(e) Number of loans involving repayment by way of virtual assets and other anonymous means of payment	_____
5.7	Please list out the new technologies and payment methods which are used in your / the partnership's money lending business: _____ _____ _____ _____	
Distribution channel risk		
5.8	Number of loan transactions which adopt a non-face-to-face approach for establishing a business relationship with a customer (e.g. online, postal, telephone channels)	_____

Note

1. Please use a separate sheet to continue if there is insufficient space provided for your answer.
2. Please provide information since the granting of the last money lenders licence.
3. Authorized institutions, as defined under the Banking Ordinance (Cap. 155), include banks, restricted licence banks and deposit-taking companies.
4. Insurance companies refer to companies specified under section 6(1) of the Insurance Ordinance (Cap. 41).
5. Approved trustee has the meaning given in section 2(1) of the Mandatory Provident Fund Schemes Ordinance (Cap. 485).
6. The amount of total customer loans appearing in item (1) of Section 2.1 should be the same as the amount which appears as the total in Section 2.2 [i.e. (A) + (K) in Section 2.2].
7. Liquid assets include cash and cash equivalents (i.e. assets which can be easily and immediately converted into cash at little or no loss of value).
8. Credit assets include investments in debt securities, government debt and other debt instruments.
9. The amount of total assets [see Item (6) of Section 2.1] should be the same as that of total liabilities [see Item (12) of Section 2.1].
10. Claims include balance sheet asset exposures that arise through credit provision (loans, bonds held, cash on deposits, trade credit/loans, reverse repos) but exclude investment in equity.
11. Pension funds refer to funds under the Mandatory Provident Fund Schemes and the Occupational Retirement Schemes.
12. Other financial institutions / funds may include Money Market Funds, Hedge Funds, Other Investment Funds, Real Estate Investment Trusts, Real Estate Funds, Trust Companies, Broker Dealers, Structured Finance Vehicles, and Central Counterparties etc.
13. Liabilities include balance sheet liability exposures that arise from borrowing activity (e.g. loans, deposits (where applicable), trade credit, repos) and equity investments.
14. The absolute sum of all long and short off-balance sheet positions.
15. Off-balance sheet credit risk exposures, e.g. due to contingent liabilities such as credit guarantees or lines of credit.
16. Third party(ies) refer(s) to any third party with whom the intending borrower has entered into an agreement for or in relation to the referral or the loan.
17. High-risk jurisdictions include but are not limited to:
 - (a) those that have been identified by the FATF as jurisdictions with strategic AML/CTF deficiencies;
 - (b) countries subject to sanctions, embargos or similar measures issued by, for example, the United Nations;
 - (c) countries which are vulnerable to corruption; and
 - (d) countries that are believed to have strong links to terrorist activities.
18. Financial institutions include:
 - (a) authorized institutions;
 - (b) licensed corporations;
 - (c) authorized insurers;
 - (d) appointed insurance agents; and
 - (e) authorized insurance brokers.
19. "Credible sources" refers to information that is produced by reputable and universally recognized international organisations and other bodies that make such information publicly and widely available. In addition to the FATF and FATF-style regional bodies, such sources may include, but are not limited to, supra-national or international bodies such as the International Monetary Fund, the World Bank and the Egmont Group of Financial Intelligence Units.
20. The relevant lists are available at "Compliance > Anti-Money Laundering and Counter-Terrorist Financing" section of the website at www.cr.gov.hk. It is an offence for any person to make available any funds or other financial assets or economic resources to or for the benefit of relevant persons or relevant entities; or to deal with any funds, other financial assets or economic resources belonging to, owned or controlled by, such persons or entities, except under the authority of a licence granted by the Chief Executive.