



The HK Association of Online Brokers

香港網上經紀協會

Miss Viola Lee

Office of the Government Chief Information Officer

12 September 2018

Dear Miss Lee,

It has been a long while since our last meeting. I trust everything is going well on your side.

As Chairman of Hong Kong Association of Online Brokers, I would like to bring you up to date on our pilot project of Non Face to Face application of Hong Kong securities brokerage account for Mainland residents while leveraging on the arrangement of the mutual recognition of electronic signature certificate between Guangdong and Hong Kong. This pilot project involves an HKAOB member, BOCI Securities, as it has come upon a business opportunity to setup a large number of brokerage accounts for PRC Residents. The entire Non Face to Face account application workflow was demonstrated to SFC, including its Deputy CEO, Ms. Julia Leung. Although there is no objection from SFC on the entire process, however an updated Mutual Recognition Certificate from OGCIO is expected in due course.

Once our pilot project is proven successful, we believe the service could be implemented in other industries to promote Hong Kong as a Smart City. As such, we would like to highlight a number of key safety and security features to protect customers & organizations using the service:

- 1) Authenticity of customers and organizations are based on Government golden sources from both sides.
- 2) All transactions are traceable and audit-able through system log with high integrity.
- 3) Leveraging on the mutual recognition framework, customer's digital signature with effect in the jurisdiction of China will be legal binding as equivalent as a digital signature in jurisdiction of Hong Kong.

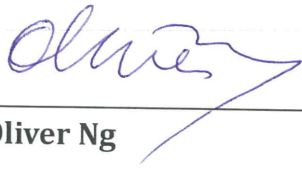
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We are most excited with the progress so far and thankful to you and OGCIO for the continued support. We are anxiously looking forward to OGCIO announcement on the updated Mutual Recognition Certificate.

Regards,



Oliver Ng

Chairman

Hong Kong Association of Online Brokers

cc:

Mr. Gary Yeung,
Chairman of eID Committee
Smart City Consortium