



公 司 註 冊 處
COMPANIES REGISTRY

**Guideline on Submission of
Business Plan
by Applicant of a Money Lenders Licence**

January 2021

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Introduction

1. Applicants for a money lenders licence under section 8 of the Money Lenders Ordinance, Cap.163 (“the MLO”) are required to submit a business plan with their application to show that the applicants have comprehensive understanding of the money-lending business and are ready to carry on the business. This Guideline sets out the key items of information that should be included in the business plan.
2. The business plan should provide comprehensive information on the applicant’s proposed money-lending business and the mode of operation of the business. It is important that the applicant provides all necessary information to demonstrate that the applicant has the genuine intention to carry on the business of money-lending, the necessary resources to execute the business plan and the knowledge of and readiness to comply with the provisions of the MLO, the conditions that may be imposed on the licence by the licensing court (“the Licensing Conditions”) and the anti-money laundering and counter-financing of terrorism (“AML/CFT”) requirements for money lenders.
3. In the business plan, the applicant is required to confirm in writing that the applicant is fully aware of and will comply with the provisions of the MLO, the Licensing Conditions and the AML/CFT requirements for money lenders.
4. Failure to provide the necessary information in the business plan may result in a delay in the processing of the application by the Registrar of Money Lenders and cast doubt on whether the applicant is a fit and proper person to carry on business as a money lender.

Content of the Business Plan

5. The applicant should include in the business plan the items set out in the table below.

Item No.	Requisite information	Details of the requisite information
1	Basic information of the applicant	Provide the following information of the applicant: <ol style="list-style-type: none"> (i) full name; (ii) business name, branch name, trading name; (iii) website address; and (iv) business logo and trademark that will be used in relation to the money-lending business.
2	Background of the applicant	Provide information on: <ol style="list-style-type: none"> (i) the applicant's history which is or may be relevant to the money-lending business; (ii) the source of funds for the money-lending business (e.g. bank borrowings, shareholders' funds, intra-conglomerate borrowings, debt instruments and other liabilities); (iii) whether the applicant is associated with or controlled by any entity or group company, and the name of such entity or group company; (iv) whether the applicant is associated with any of the following entities, and the applicant's relationship with such entities: <ul style="list-style-type: none"> - licensed corporations under the Securities and Futures Ordinance, Cap. 571; - authorized institutions within the meaning of the Banking Ordinance, Cap. 155; - insurance companies; - companies listed on the Stock Exchange of Hong Kong; and - property developers
3	Key executives of senior management	Provide information on the key executives of the senior management including their names,

		nationalities, positions, employment histories, qualification, experience relating to money-lending business and levels of education.
4	Organizational structure	<p>Describe the organizational structure of the applicant and attach an organization chart showing the relationship between the applicant and the other members of the group (each a “group member”) to which the applicant belongs, including the parent company, subsidiaries and associated companies. The organization chart should indicate the beneficial owner(s) of the applicant and specify whether any shares in any group member are bearer shares.</p> <p>Provide the following information in respect of each group member:</p> <ul style="list-style-type: none"> (i) full company name; (ii) place of incorporation; (iii) location of business operations; and (iv) business function or role in the group.
5	Human resources	<p><u>Management team of the applicant</u> Provide information on the composition of the management team, including the total number of the team members, their respective positions, roles and responsibilities (e.g. compliance functions, reporting of suspicious transactions for AML/CFT purposes), whether they are employed on full-time or part-time basis, and the reporting lines.</p> <p><u>Other employees of the applicant</u> Provide information on the composition of the employees, including total number of employees, their respective positions, roles and responsibilities (e.g. compliance functions, reporting of suspicious transactions for AML/CFT purposes), whether they are employed on full-time or part-time basis, and</p>

		the reporting lines.
6	Proposed nature of money-lending business and target customers	<p>Provide information on the nature of the proposed money-lending business, e.g. customer loans, intra-conglomerate loans.</p> <p>Provide information on the types of loans to be provided, e.g. property mortgage loans, secured loans, unsecured loans.</p> <p>Provide information on the target customers:</p> <p>(i) whether they are local or overseas borrowers - for overseas borrowers, provide also the nationalities of the borrowers;</p> <p>(ii) whether they are individual or corporate borrowers - for individual borrowers, provide also their occupations and levels of income - for corporate borrowers, provide also their business nature and lines of business</p>
7	Profitability and financial information of the money-lending business	Provide information on the expected profit margin and turnover on each type of loans for the future two years and the operating capital for the daily operation of the money-lending business.
8	Bank account	<p>Provide information on any bank accounts to be used for the money-lending business, including bank name(s), account number(s) and owner(s) of the bank account(s), etc.</p> <p>Notes:</p> <p>(i) If any third party bank account is intended to be used for the money-lending business, the applicant is required to provide justification for using third party bank account(s) and the details of such account(s).</p>

		(ii) If the applicant has not opened a bank account for the money-lending business, the applicant is required to provide justification for conducting the money-lending business without a bank account and how the business will be conducted without a bank account.
9	Details of operation of money-lending business	Provide detailed information on how the money-lending business will be operated, including the entire loan transaction process (e.g. application for loans, processing and approving of loan applications, drawdown/remittance of loans, repayment of the loans, debt collection process), maximum debt coverage ratio of customers, compliance function, accounting and record-keeping function, procedures on handling complaints, etc.
10	Channels for making loan applications	Provide information on the channels/ways for the potential customers/intending borrowers to submit their loan applications.
11	Delivery channels of loans offered and promotion channels	<p>Provide the following information in respect of each type of loan to be offered:</p> <p>(i) Currency denominations of the loans;</p> <p>(ii) Timeline of launching the loans.</p> <p>Provide detailed information on how the loans will be delivered to borrowers (e.g. collection by borrower in cash at the applicant's office, transfer by electronic means).</p> <p>Provide information on the promotion or advertising channels to be adopted by the applicant for the money-lending business, including locations, frequency and timing of advertisements, etc.</p>

12	Digitalised /screening systems	Provide information on the digitalised systems and other automation systems used in the money-lending business (e.g. customer due diligence verification by using artificial intelligence technique, on-line loan approval process, non face-to-face risk assessment on customers) and the name and address of the providers of the systems.
13	Use of intermediary or outsourced services for AML/CFT purposes	Provide information on the intermediaries or outsourced services used by the applicant in the money-lending business for AML/CFT purposes, including the names of the intermediaries or outsourced services providers, and the nature of the services provided (e.g. conducting customer due diligence, external audit function).
14	Use of Appointed Third Party (ATP) / Debt collecting agent	<p>If the applicant intends to appoint any third party^{Note} (“Intended ATP”) for the granting of loans or debt collection agent in the money-lending business, provide the name(s) and address(es) of the Intended ATP or debt collection agent(s) and elaborate the functions of the Intended ATP or debt collection agent(s).</p> <p>(Note: An appointed third party of a licensed money lender is a person appointed by the licensed money lender for or in relation to granting a loan to any intending borrower or any specified class of intending borrowers, whether as to the procuring, negotiation, obtaining, application, guaranteeing or securing the repayment of such loan.)</p>
15	Other types of business relationship	If the applicant’s business involves the use of a third party’s payment platform or network (e.g. repayment service through QR Code, Faster Payment System (FPS), PayMe, convenience stores), explain the role of the payment platform / network in the applicant’s business.

16	Supervision by other regulatory authorities	State whether the applicant's local business (of whatever type) is also subject to other type of supervision (e.g. holding licence granted by other regulatory body/authority). If yes, provide the name of the other regulatory body/authority.
17	Confirmation by the applicant	Applicant should confirm in writing that he or she is fully aware of and will comply with the provisions of the MLO, the Licensing Conditions and the AML/CFT requirements for money lenders. If the applicant is a company, the confirmation should be signed by a director of the applicant.

Registrar of Money Lenders
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