

**Guidance Note on Registering Alternate Chief Executive**

According to Membership Regulation 3.5, the General Committee is issuing this Guidance Note on Registering Alternate Chief Executive to facilitate Members' developing appropriate business contingency plan..

**The Requirements in relation to Registration of Chief Executive**

CIB Articles of Association contain the following provisions:

*"19. Subject to Article 19B, a Member shall at all times have a Chief Executive."*

*"19A. No more than one individual may be registered as the Chief Executive of a Member at any one time."*

*"19B. If a Chief Executive dies or retires, resigns or is removed from his position with the relevant Member or otherwise fails to comply with any of the requirements laid down in the Membership Regulations, the relevant Member shall as soon as reasonably practicable appoint an individual who complies with the requirements laid down in the Membership Regulations and shall within 30 days of such death, retirement, resignation or removal of a Chief Executive nominate an individual for registration as its Chief Executive accordingly."*

CIB Membership Regulation 7.5 also reiterates that:

*"A Member shall nominate a person to be registered with the Confederation as its Chief Executive and in the event of the resignation of its Chief Executive, a Member shall nominate a replacement who complies with the minimum requirements for Chief Executive as specified in Regulations 9 within 30 days."*

**Background**

With reference to the above requirements for Members regarding registration of its Chief Executive, the General Committee considers that CIB should put in place a voluntary scheme of registering Alternate Chief Executive ("Alt. CE"), so that Members have in place an appropriate contingency plan for replacing the position of Chief Executive whenever it becomes vacant.

**Particulars of the Scheme**

1. This Scheme is a facility to assist Members. This is not to alter or to override the requirements in relation to registration of Chief Executive as laid down in the Articles of Association and/or the Membership Regulations.
2. The appointment and registration of Alt. CE is voluntary.
3. When participating in the Scheme, the Member shall at any time appoint one Alt. CE only.
4. Minimum Requirements for an Alt. CE:
  - 4.1 All the Minimum Requirements for a Chief Executive specified in the Membership Regulations shall apply except the following clause of

Membership Regulation 9.1.5.:

“(he) ... is responsible for the conduct of the whole of the insurance broking business of the Member in Hong Kong, and under whom the direction and overall day to day supervision and control of the business of the company in Hong Kong is conducted.”

- 4.2 He/She shall be registered with the same lines of business as those of the Chief Executive of the Member;
- 4.3 He/She shall consent to assume the responsibility for acting in the capacity of registered Chief Executive when the position of Chief Executive is left vacant.
- 4.4 The Board of Directors of the Member shall confirm that the Alt. CE:
  - 4.4.1 is occupying a management position in the company; and
  - 4.4.2 in the event where the position of Chief Executive is vacant, will be responsible for the conduct of the whole of the insurance broking business of the Member in Hong Kong, and under whom the direction and overall day to day supervision and control of the business of the company in Hong Kong is conducted.

5. Registration Capacity of the Alt. CE

- 5.1 The registration capacity of the Alt. CE on the Sub-register of Chief Executives and Technical Representatives shall be “Technical Representative” unless the position of Chief Executive of the Member is vacant.
- 5.2 When the position of Chief Executive is vacant, the registration capacity of the Alt. CE will automatically be changed to be “Chief Executive” for a period of 6 months.
- 5.3 During this 6-month period, an Application for Chief Executive Registration shall be submitted by the Member to CIB, nominating either the Alt. CE or another person who fulfils the Minimum Requirements for Chief Executive as the replacement Chief Executive.
- 5.4 When CIB has approved the registration of another person as the Chief Executive, the registration capacity of the Alt. CE will be reverted back to “Technical Representative” and remains the Alt. CE of the Member.
- 5.5 When CIB has approved the registration of the Alt. CE as the Chief Executive, his/her registration capacity as “Chief Executive” on the Sub-register will be confirmed, and the Member may then apply to register another person as its Alt. CE.
- 5.6 If no Application for Chief Executive Registration is submitted during the said period, and unless the period is extended by prior agreement of the General Committee, the registration capacity of the Alt. CE will be reverted back to “Technical Representative” and the matter of non-compliance by the Member with Membership Regulation 7.5 will be referred, without further notice on the expiry date of the 6-month period, to the Disciplinary Committee for attention.

6. Other Requirements of the Scheme

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- 6.1 When the Alt. CE ceases to be the “Technical Representative” of the Member, he/she shall also cease to be the Alt. CE of the Member, and the Member may then apply to register another person as its Alt. CE.
  - 6.2 Unless the Alt. CE ceases to be the “Technical Representative” of the Member or is registered as “Chief Executive” of the Member, CIB will not consider any other application from the Member to register another Alt. CE.
  - 6.3 The application for registering Alt. CE shall be made in the form prescribed by the General Committee.
  - 6.4 No additional fee will apply for registering Alt. CE of a Member if the person is already a registered Technical Representative of the Member. The fee applicable for registering Technical Representative should be paid if the person is not a registered Technical Representative of the Member when applying for registering as Alt. CE.
  - 6.5 The Membership & Registration Sub-committee is responsible to vet the applications and the General Committee to endorse them upon the recommendation of the Sub-committee.
7. Corresponding Changes to some Administrative Procedures
- 7.1 The interim arrangement of allowing a director of the Member to deputize the role of Chief Executive will be ended.
  - 7.2 CIB will only accept the Application for Chief Executive Registration and de-registration of Technical Representatives from a Member when its position of Chief Executive is left vacant. No other type of application, e.g. application for Technical Representative registration, will be accepted unless the General Committee so approves on a case-by-case basis.
  - 7.3 CIB will not accept application of changing registration capacity from “Chief Executive” to “Technical Representative” of the same Member unless the General Committee has already approved a replacement Chief Executive for that Member.
  - 7.4 CIB will not accept any application forms or notification not signed by the registered Chief Executive unless as provided in paragraphs 7.2 and 7.5.
  - 7.5 When the registered Chief Executive is absent from work due to medical reason or being out of town, the registered Chief Executive and the Alt. CE, if any, may jointly sign a declaration form prescribed by the General Committee confirming that the Alt. CE is authorized by the registered Chief Executive to sign the application forms or notifications filed/submitted to CIB during that period (when the registered Chief Executive is absent from work due to medical reason or being out of town), and that the registered Chief Executive and the Alt. CE are jointly accountable for making those application forms or notifications.

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