



#### **Securities Companies Must Appoint Chief Compliance Officers**

Chinese version The China Securities Regulatory Commission (CSRC) outlined in a document released on July 14 that beginning on August 1, securities companies should appoint chief compliance officers (CCOs). CCOs will be responsible for the examination, supervision and inspection of the compliance of business management and practice of securities companies and their working personnel.

According to the Trial Provisions on the Compliance Management of Securities Companies, the CSRC will appraise the effectiveness of the compliance management of securities companies and the appraisal results will be the important base for the classified supervision imposed on the securities companies.

In addition, CCOs must not take offices or take charge of departments conflicting with their compliance management responsibilities at the same time. Securities companies are required to guarantee the independence of CCOs and the full exercising of the right to know and right to investigate that are necessary for their duty performance.

(Source: China Securities Regulatory Commission)

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