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Latest Update of the New Inspection Regime of the Companies Register

The 2nd phase of the new public inspection regime (Regime) will be implemented on 24 October 2022, to restrict access to personal data made available for public inspection on the Companies Register. Under the Regime, only specified persons, including liquidators and trustees in bankruptcy, will still be able to access the usual residential addresses and full identification numbers of directors and company secretaries, etc., referred to as “protected information.”

RIF wrote to the Companies Registry (CR) with a view to facilitating an efficient and streamlined application process, as far as possible, in particular for insolvency practitioners (IPs) who will often have to make multiple connected searches at the same time (the need for which may emerge only after they make the first search). CR has provided some written responses to the Institute on this matter and we are following up with the CR for clarification on certain issues. Please refer to the [CR’s letter](#) issued to HKICPA members for information. We will keep RIF members posted of any updates from the CR.

Protection of Wages on Insolvency Fund and Corporate Rescue

A resolution in the Legislative Council was passed in June 2022 to amend the Protection of Wages on Insolvency Ordinance (PWIO).

The resolution increases the ceilings on outstanding entitlements owed to employees made redundant in an insolvency that may be paid out by the Protection of Wages on Insolvency Fund (PWIF). This is a change that the Institute had advocated. In April 2020, the then president of the Institute, Johnson Kong, wrote to the secretary for labour and welfare urging increases in the ceilings on the arrears of wages and wages in lieu of notice that the PWIF could pay out under the PWIO. This was against the background of the increasing level of unemployment at that time and the fact that these limits had not been increased for over 20 years, and were out of step with benchmarks previously used to gauge their adequacy.

As a result of the resolution, the limits of different items, payable by the PWIF, have been increased as indicated below:

Category	Previous ceiling (HK\$)	New ceiling (HK\$)
Wages in arrears	36,000	80,000
Wages in lieu of notice	22,500	45,000

Severance payment	50,000 plus 50% of any excess entitlement	100,000 plus 50% of any excess entitlement
Pay for untaken statutory holidays	10,500	26,000
Pay for untaken annual leave	10,500	26,000
Pay for both untaken statutory holidays and untaken annual leave	10,500	26,000

Kenneth Yeo and Daniel Chow, RIFEC chair and deputy chair, respectively, hosted a media interview with reporters from a number of local newspapers on 5 July, to explain why the Institute had advocated increasing the PWIF limits and to raise the profile of the Institute and RIF. They said that the increased ceilings were supported as the PWIF could pay out quicker relief to employees owed outstanding entitlements when their employer went into liquidation. They also took the opportunity to inform the media about other insolvency-related topics, such as the need for Hong Kong to proceed with introducing a statutory framework for corporate rescue.

News stories were published by, among others, [HK01](#), [Ming Pao](#) and [HKET](#).

Summary Procedure Order Applications by Provisional Trustees in Bankruptcy Cases

The Official Receiver's Office (ORO) has issued a [letter](#) for the attention of members who are provisional trustees in bankruptcy cases.

The letter advises that the court has observed a lack of consistency in the applications for summary procedure orders (SPO) by different provisional trustees in bankruptcy cases, resulting in many requisitions being raised by the court. With a view to streamlining the application process and making it more efficient, the court has approved a template and two checklists, which the ORO considers appropriate for use in all cases. Provisional trustees are expected to follow the template and complete the relevant checklist in all SPO applications. Please refer to the ORO's letter and the annexes for further details.

RIF Annual Cocktail 2022

The RIF's annual cocktail reception was suspended in 2020 and 2021 due to the Covid-19 pandemic. Given that other larger-scale events are now being held again, including the INSOL hybrid seminar in Hong Kong (see below), the RIF is planning to hold a cocktail again in this year, with appropriate pandemic-related safeguards. Details of the cocktail reception are as follows:

Date: 27th October 2022 (Thursday)
Proposed time: 6:30 p.m. – 8:30 p.m.
Venue: The China Club, 13rd to 15th Floor, The Old Bank of China Building, Bank Street, Central, Hong Kong

Further details will be provided to RIF members in due course.

Professional Development Events



The RIF has continued to hold a series of popular webinars on a range of topics. Two recent events, *Current Corporate Restructuring Developments in Cayman and Hong Kong* and *Update and implications regarding sanctions against Russia (a joint ForensicG-RIF webinar)*, held on 4 and 29 August respectively, were well received.

Coming RIF events

Perspective of Insolvency Practitioners in Dealing with the Resumption of Listing and Delisting of Listed Entities

Terry Kan from SHINEWING Specialist Advisory Services will briefly explain the current delisting framework, the latest guidance on long suspension and delisting of listed companies and the resumption conditions. He will also share his practical experience and case studies illustrating the challenges normally faced by IPs on seeking the resumption of trading of insolvent listed companies. The **event** will be held on 27 September.

Implications of Personal Data Privacy Laws for Forensic and Insolvency practitioners

We are liaising with Office of the Privacy Commissioner for Personal Data, who have agreed to speak on the theme of the Personal Data (Privacy) Ordinance, recent developments in the law and its interpretation, and their impact on forensic and insolvency practitioners. Tentatively, this event will be held on 10 October.

Do you have a good idea for an event or a speaker? Please email rif@hkicpa.org.hk.

News and articles

- **Business expectations for the third quarter of 2022** issued by the Census and Statistics Department of the HKSAR Government
- **The Cayman Islands insolvency reform: Restructuring officer and refined scheme of arrangement** by Harneys
- **Singapore High Court considers classification of creditors in lock-up agreements for scheme of arrangements** by Allen & Gledhill

ONC Lawyers

- **ONC Corporate Disputes and Insolvency Quarterly - June 2022 Issue**
- **Recognition of foreign insolvency processes in Hong Kong – a company's centre of main interest as the primary criterion**

Stephenson Harwood

- **Cross border insolvency – reconsidering the Second Core Requirement and foreign recognition?**
- **Cross border insolvency – The Court of Final Appeal clarifies the second core requirement in Shandong Chenming case**
- **Cross-border insolvency - Hong Kong Court confirms common law recognition and assistance does not extend to solvent liquidations**

Herbert Smith Freehills

- **Nail in the coffin for truant foreign debtors with Hong Kong link – highest court's pragmatic approach welcome**
- **Malaysia: Directors beware – indemnity in a company's constitution is not foolproof**
- **Court strikes out a HK\$3 billion fraudulent trading claim commenced against an IPO sponsor in breach of mandatory procedural rules**
- Regular, international, insolvency news is available on the **Global Insolvency** website, provided by the American Bankruptcy Institute. Sign up for daily alerts.



(N.B. Inclusion of the above articles should not be taken as implying endorsement by the Institute of any views contained in the articles, or of any businesses or products that may be advertised in, or alongside, them)



Members share their experience

- The RIF Member Services Sub-committee invites RIF members to share their views on current insolvency and restructuring topics and issues. Contributions and suggestions can be sent by email to rif@hkcipa.org.hk.



INSOL International updates

Hong Kong Hybrid Seminar 2022

- INSOL International will be running their first ever hybrid event out of Hong Kong, in association with the Institute, at the Four Seasons Hotel on 28 October. Further details are provided on [INSOL's website](#) where you can keep up to date with INSOL's current [programme of events](#).

London Conference 2022

- INSOL International held its board meeting and a face-to-face annual conference with over 900 participants, in London, from 25 to 28 June. Terry Kan, INSOL director representing the Institute, attended the conference in person and subsequently provided an update to the RIFEC. Please refer to [INSOL's webpage](#) for more details on the conference.

About town

Do you have news or personnel updates that may be of interest to other RIF members, or have you just set up a new firm in the insolvency field? Please email rif@hkcipa.org.hk, so we can share the news with fellow IPs.

Quick links:

- [The Institute's website](#)
- [RIF webpage](#)
- [Past issues of *The IP's Voice*](#)
- [ORO's website](#)
- [Linkedin page of HKICPA RIF](#)

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