



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

15 December 2017

By email < response@hkex.com.hk > and by post

Our Ref.: C/CFAP, M114446

Hong Kong Exchanges and Clearing Limited
12/F, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

Dear Sirs,

Re: Consultation Paper on Proposed Changes to Documentary Requirements relating to Listed Issuers and Other Minor Rule Amendments

--- The Hong Kong Institute of Certified Public Accountants has considered the above consultation paper and our comments are set out in the questionnaire attached to this letter.

If you have any questions on this submission or wish to discuss it further, please contact the undersigned at the Institute.

Yours faithfully,

Mary Lam
Director, Member Support

ML/ay
Encl.

Hong Kong Institute of
Certified Public Accountants
香港會計師公會

QUESTIONNAIRE ON PROPOSED CHANGES TO DOCUMENTARY REQUIREMENTS RELATING TO LISTED ISSUERS AND OTHER MINOR RULE AMENDMENTS

We invite interested parties to respond to the Consultation Paper on Proposed Changes to Documentary Requirements relating to Listed Issuers and Other Minor Rule Amendments (**Consultation Paper**), which can be downloaded from the HKEX website at:

<https://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2017112.pdf>

This Questionnaire contains the Privacy Policy Statement; Part A: General Information of Respondents; and Part B: Consultation Questions.

All responses should be made in writing by completing and returning to HKEX both Part A and Part B of this Questionnaire no later than **8 December 2017** by one of the following methods:

By mail or
hand delivery to: Hong Kong Exchanges and Clearing Limited
12th Floor, One International Finance Centre
1 Harbour View Street,
Central
Hong Kong

**Re: Consultation Paper on Proposed Changes to
Documentary Requirements relating to Listed
Issuers and Other Minor Rule Amendments**

By fax to: (852) 2524-0149

By e-mail to: response@hkex.com.hk

Please mark in the subject line:

**Re: Consultation Paper on Proposed Changes to
Documentary Requirements relating to Listed
Issuers and Other Minor Rule Amendments**

Our submission enquiry number is (852) 2840-3844.

The names of person who submit comments together with the whole or part of their submissions may be disclosed to members of the public. If you do not wish your name to be published please indicate so in Part A.

Privacy Policy Statement

Hong Kong Exchanges and Clearing Limited and from time to time, its subsidiaries, affiliated companies controlling it or under common control with it and its joint ventures (each such entity, from time to time, being “HKEX”, “we”, “us” or an “affiliate” for the purposes of this Privacy Policy Statement as appropriate) recognises its responsibilities in relation to the collection, holding, processing, use and/or transfer of personal data under the Personal Data (Privacy) Ordinance (Cap. 486) (“PDPO”). Personal data will be collected only for lawful and relevant purposes and all practicable steps will be taken to ensure that personal data held by HKEX is accurate. HKEX will use your personal data in accordance with this Privacy Policy Statement.

We regularly review this Privacy Policy Statement and may from time to time revise it or add specific instructions, policies and terms. Where any changes to this Privacy Policy Statement are material, we will notify you using the contact details you have provided us with and, as required by the PDPO, give you the opportunity to opt out of these changes by means notified to you at that time. Otherwise, in relation to personal data supplied to us through the HKEX website, continued use by you of the HKEX website shall be deemed to be your acceptance of and consent to this Privacy Policy Statement.

If you have any questions about this Privacy Policy Statement or how we use your personal data, please contact us through one of the communication channels below.

HKEX will take all practicable steps to ensure the security of the personal data and to avoid unauthorised or accidental access, erasure or other use. This includes physical, technical and procedural security methods, where appropriate, to ensure that the personal data may only be accessed by authorized personnel.

Please note that if you do not provide us with your personal data (or relevant personal data relating to persons appointed by you to act on your behalf) we may not be able to provide the information, products or services you have asked for or process your request.

Purpose

From time to time we may collect your personal data such as your name, mailing address, telephone number, email address and login name for the following purposes:

1. to process your applications, subscriptions and registration for our products and services;
2. to perform or discharge the functions of HKEX and any company of which HKEX is the recognised exchange controller (as defined in the Securities and Futures Ordinance (Cap. 571));
3. to provide you with our products and services and administer your account in relation to such products and services;
4. to conduct research and statistical analysis; and
5. other purposes directly relating to any of the above.

Direct marketing

Except to the extent you have already opted out or in future opt out, we may also use your name, mailing address, telephone number and email address to send promotional materials to you and conduct direct marketing activities in relation to our financial services and information services, and related financial services and information services offered by our affiliates.

If you do not wish to receive any promotional and direct marketing materials from HKEX or do not wish to receive particular types of promotional and direct marketing materials or do not wish to receive such materials through any particular means of communication, please contact us through one of the communication channels below.

Identity Card Number

We may also collect your identity card number and process this as required under applicable law or regulation, as required by any regulator having authority over us and, subject to the PDPO, for the purpose of identifying you where it is reasonable for your identity card number to be used for this purpose.

Transfers of personal data for direct marketing purposes

Except to the extent you have already opted out or in future opt out, we may transfer your name, mailing address, telephone number and email address to our affiliates for the purpose of enabling our affiliates to send promotional materials to you and conduct direct marketing activities in relation to their financial services and information services.

Other transfers of personal data

For one or more of the purposes specified above, the personal data may be:

1. transferred to our affiliates and made available to appropriate persons in our affiliates, in Hong Kong or elsewhere and in this regard you consent to the transfer of your data outside of Hong Kong; and
2. supplied to any agent, contractor or third party who provides administrative or other services to HKEX and/or any of our affiliates in Hong Kong or elsewhere.

How we use cookies

If you access our information or services through the HKEX website, you should be aware that cookies are used. Cookies are data files stored on your browser. The HKEX website automatically installs and uses cookies on your browser when you access it. Two kinds of cookies are used on the HKEX website:

Session Cookies: temporary cookies that only remain in your browser until the time you leave the HKEX website, which are used to obtain and store configuration information and administer the HKEX website, including carrying information from one page to another as you browse the site so as to, for example, avoid you having to re-enter information on each page that you visit. Session cookies are also used to compile anonymous statistics about the use of the HKEX website.

Persistent Cookies: cookies that remain in your browser for a longer period of time for the purpose of compiling anonymous statistics about the use of the HKEX website or to track and record user preferences.

The cookies used in connection with the HKEX website do not contain personal data. You may refuse to accept cookies on your browser by modifying the settings in your browser or internet security software. However, if you do so you may not be able to utilise or activate certain functions available on the HKEX website.

Compliance with laws and regulations

You agree that HKEX and its affiliates may be required to retain, process and/or disclose your personal data in order to comply with applicable laws and regulations, or in order to comply with a court order, subpoena or other legal process, or to comply with a request by a government authority, law enforcement agency or similar body (whether situated in Hong Kong or elsewhere). You also agree that HKEX and its affiliates may need to disclose your personal data in order to enforce any agreement with you, protect our rights, property or safety, or the rights, property or safety of our affiliates and employees.

Corporate reorganisation

As HKEX continues to develop its business, we may reorganise our group structure, undergo a change of control or business combination. In these circumstances it may be the case that your personal data is transferred to a third party who will continue to operate our business or a similar service under either this Privacy Policy Statement or a different privacy policy statement which will be notified to you. Such a third party may be located, and use of your personal data may be made, outside of Hong Kong in connection with such acquisition or reorganisation.

Access and correction of personal data

Under the PDPO, you have the right to ascertain whether HKEX holds your personal data, to obtain a copy of the data, and to correct any data that is inaccurate. You may also request HKEX to inform you of the type of personal data held by it. All data access requests shall be made using the form prescribed by the Privacy Commissioner for Personal Data (“**Privacy Commissioner**”) which may be found on the official website of the Office of the Privacy Commissioner.

Requests for access and correction or for information regarding policies and practices and kinds of data held by HKEX should be addressed in writing and sent by post to us (see contact details below).

A reasonable fee may be charged to offset HKEX’s administrative and actual costs incurred in complying with your data access requests.

Termination or cancellation

Should your account with us be cancelled or terminated at any time, we shall cease processing your personal data as soon as reasonably practicable following such cancellation or termination, provided that we may keep copies of your data as is reasonably required for archival purposes, for use in relation to any actual or potential dispute, for the purpose of compliance with applicable laws and regulations and for the purpose of enforcing any agreement we have with you, for protecting our rights, property or safety, or the rights, property or safety of our affiliates and employees.

Contact us

By Post:
Personal Data Privacy Officer
Hong Kong Exchanges and Clearing Limited
12/F., One International Finance Centre
1 Harbour View Street
Central
Hong Kong

By Email:
pdpo@hkex.com.hk

Part A General Information of the Respondent

(1) Please state whether your response represents your personal or your company/entity's view by checking () the boxes below and filling in the information as appropriate:

Company/Entity view

Company/Entity name*: Hong Kong Institute of Certified Public Accountants	
Company/Entity type*: <input type="checkbox"/> Listed company <input type="checkbox"/> HKEX Participant	
<input type="checkbox"/> Investment Management Firm <input type="checkbox"/> Corporate Finance Firm	
<input type="checkbox"/> Law Firm <input type="checkbox"/> Accountancy Firm	
<input checked="" type="checkbox"/> Professional body / Industry association	
<input type="checkbox"/> None of the above (Type _____)	
Contact person*: Ms	Mary Lam
Title: Director, Member Support	
Phone no.*: 2287 7086	Email address: mary@hkcipa.org.hk

Personal view

Respondent's full name*: Mr/Ms/Mrs _____	
Phone no.*: _____	Email address: _____
Among the following, please select the one best describing your position*:	
<input type="checkbox"/> Listed company staff <input type="checkbox"/> HKEX participant staff <input type="checkbox"/> Individual investor	
<input type="checkbox"/> Investment Management staff <input type="checkbox"/> Corporate Finance staff <input type="checkbox"/> Lawyer	
<input type="checkbox"/> Accountant <input type="checkbox"/> None of the above (Type _____)	

Important note: All fields marked with an asterisk (*) are mandatory. HKEX may use the contact information above to verify the identity of the respondent. Responses without valid contact details may be treated as invalid.

(2) Disclosure of identity

HKEX may publish the identity of the respondent together with Part B of this response to the members of public. Respondents who do not wish their identities to be published should check the box below:

I/We do not wish to disclose my/our identity to the members of the public.

Signature (with Company/Entity Chop if the response represents company/entity view)

Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please reply to the questions below that are raised in the Consultation Paper downloadable from the HKEX website at:

<https://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2017112.pdf>

Where there is insufficient space provided for your comments, please attach additional pages.

1. Do you agree with the proposed Rule amendments to incorporate the directors' and supervisors' obligations set out in Part 2 of the DU Forms into the Rules?

Yes

No

If your answer is "No", please give reasons for your views.

2. Do you agree with the proposed Rule amendments to not require a solicitor's certification?

Yes

No

If your answer is "No", please give reasons for your views.

3. Do you agree with the proposed Rule amendments to not require a sponsor's certification?

Yes

No

If your answer is "No", please give reasons for your views.

4. Do you agree with the proposed Rule amendments to require disclosure of the former name and alias (if any) of a director or supervisor?

Yes

No

If your answer is "No", please give reasons for your views.

5. Do you agree with the proposed Rule amendments to require directors and supervisors to provide their contact information as set out in paragraph 26 of the Consultation Paper to the Exchange?

Yes

No

If your answer is "No", please give reasons for your views.

6. Do you agree with the proposed Rule amendments to grant the power to the Exchange to gather information from supervisors and require supervisors to cooperate in the Exchange’s investigation?

Yes

No

If your answer is “No”, please give reasons for your views.

7. Do you agree with the proposed Rule amendments to align the requirements of the Main Board Rules and the GEM Rules as set out in paragraphs 30(i), (ii) and (iii) of the Consultation Paper?

Yes

No

If your answer is “No”, please give reasons for your views.

8. (a) Do you agree with the proposed Rule amendments to remove the requirement to submit a certified copy of the Board Resolutions and to require the issuer to confirm in the relevant next day disclosure return and/or monthly return that the issue of securities has been duly authorised by the board?

Yes

No

If your answer is “No”, please give reasons for your views.

(b) Do you agree with the proposed Rule amendments to remove the requirement to submit a Form F Declaration and to require the issuer to confirm in the relevant next day disclosure return and/or monthly return the matters set out in items (a) and (b)(i) to (viii) in the table under paragraph 35 of the Consultation Paper?

Yes

No

If your answer is "No", please give reasons for your views.

(c) Do you agree with the proposal to add a separate Rule that if there is any material change to a document after clearance by the Exchange, the document should be resubmitted to the Exchange for further comments before it is issued?

Yes

No

If your answer is "No", please give reasons for your views.

9. Do you agree with the proposed Rule amendments to remove each of the documentary requirements set out in items 1 to 10 in the table under paragraph 37 of the Consultation Paper?

Yes

No

If your answer is "No", please give reasons for your views.

10. Do you agree with the proposal to add a Note to clarify the period of disclosure of pre-acquisition financial information on material businesses/subsidiaries acquired by a new applicant as described in paragraph 41 of the Consultation Paper?

Yes

No

If your answer is "No", please give reasons for your views.

11. Do you agree with the proposal to amend paragraphs 9(a) and (b) of Main Board Rules Practice Note 22 and paragraph 8 of GEM Rules Practice Note 5 to state that applicants must submit the Application Proof for publication on the HKEX website "on the same day" (instead of "at the same time") they submit the listing application?

Yes

No

If your answer is "No", please give reasons for your views.

12. Do you agree with the proposal to remove GEM Rule 17.55 and align the formal reporting requirements for profit forecasts in the GEM Rules with those in the Main Board Rules?

Yes

No

If your answer is "No", please give reasons for your views.

13. Do you agree with the proposal to amend paragraph 3(c) of PN15 to clarify that the Exchange may grant a Waiver if the Parent fails to meet the minimum profit requirement under Rule 8.05 due solely to a significant market downturn?

Yes

No

If your answer is "No", please give reasons for your views.

14. Do you agree with the proposed amendments to the Main Board Rules to require listed issuers to announce any changes to their website addresses?

Yes

No

If your answer is "No", please give reasons for your views.

15. Do you agree with the proposed amendments to the Main Board Rules to codify the practices that listed issuers should announce the matters set out in paragraphs 55(a) to (c) of the Consultation Paper?

Yes

No

If your answer is "No", please give reasons for your views.

16. Do you agree with the proposal to amend Main Board Rules 15A.21(1) and 15A.64(3) to require issuers of structured products to submit their financial reports, supplemental or standalone listing documents to the Exchange in electronic form only?

Yes

No

If your answer is "No", please give reasons for your views.

17. Do you agree with our proposal to amend Note 4 to Main Board Rule 15A.22 to require issuers of structured products to provide liquidity for at least 20 (instead of ten) board lots of their structured products and to make consequential changes to the note to paragraph 17(15) of Appendix 1D to the Main Board Rules?

Yes

No

If your answer is "No", please give reasons for your views.

18. Do you agree with our proposal to include entitlement ratios of five, 50 and 500 structured products for one share (or other security) in Main Board Rule 15A.40?

Yes

No

If your answer is "No", please give reasons for your views.

19. Do you agree with our proposal to amend Main Board Rule 15A.59 to clarify that information (where available) as described in paragraph 68 of the Consultation Paper of both the issuer and the guarantor are required to be included in the formal announcement for structured products?

Yes

No

If your answer is "No", please give reasons for your views.

20. Do you agree with our proposal to amend Main Board Rule 15A.63(1) to require the submission of one draft (instead of two drafts or proofs) of the listing document to the Exchange for review?

Yes

No

If your answer is "No", please give reasons for your views.

21. Do you agree with our proposal to amend Main Board Rules 15A.71, 15A.72, 15A.73, 15A.74, and 15A.76 to clarify that that these Rules apply to stand alone listing documents (in addition to base listing documents, supplemental listing documents and supplementary listing documents)?

Yes

No

If your answer is "No", please give reasons for your views.

22. Do you agree with our proposal to amend Main Board Rule 37.39 and GEM Rule 30.32 to state that an issuer must publish a formal notice before listing?

Yes

No

If your answer is “No”, please give reasons for your views.

23. Do you agree with the proposal to introduce the definitions of “modified opinion” and “modified report” and the proposed consequential amendments in Appendix II to the Consultation Paper in order to update the audit terminology in the Rules with reference to the new and revised Auditor Reporting Standards issued by the HKICPA?

Yes

No

If your answer is “No”, please give reasons for your views.

24. The Exchange invites your comments regarding whether the manner in which the proposed housekeeping Rule amendments as set out in Chapter 4 of the Consultation Paper are drafted will give rise to any ambiguities or unintended consequences.

25. Do you have any other comments in respect of the matters discussed in the Consultation Paper? If so, please set out your additional comments.

NIL

- End -