

LIST OF QUESTIONS FOR CONSULTATION

- Question 1
- (a) Do you agree that the restrictions on financial assistance should be abolished for private companies?
- (b) If you answer to (a) is positive, which of the following options concerning regulation of listed and unlisted public companies would you prefer –
- (i) existing rules for listed and unlisted public companies in the CO be retained (i.e. listed companies cannot give financial assistance except for certain exceptions as set out in sections 47C and 47D of the CO while unlisted public companies may give financial assistance subject to solvency test and a special resolution of the shareholders (section 47E of the CO));
 - (ii) the rules for both listed and unlisted public companies to be streamlined using a solvency test as set out in the draft clauses in Division 5 of Part 5; or
 - (iii) any other option (please elaborate),
- having regard to the need to protect small investors of public companies?
- (c) If your answer to (a) is negative (i.e. you believe that private companies should still be subject to certain restrictions on financial assistance), do you have any specific comments on the draft clauses in Division 5 of Part 5? Please elaborate.
- Question 2
- Do you agree that there is no need to impose a statutory requirement in the CB for all listed companies incorporated in Hong Kong and unlisted companies incorporated in Hong Kong where members holding not less than 5% of voting rights have so requested to prepare separate directors' remuneration reports?
- Question 3
- Do you have any comments on the proposed changes to the provisions concerning the investigation of a company's affairs and enquiry into company's affairs that may be exercised by the FS described in paragraphs 4.6 to 4.13, the Explanatory Notes on Part 19 and Divisions 1 to 3 and 5 in Part 19 of the CB?

- Question 4 Do you have any comments on the proposed new powers for the Registrar to obtain documents, records and information as described in paragraphs 4.14 to 4.17, the Explanatory Notes on Part 19 and Divisions 1, 4 and 5 in Part 19 of the CB?
- Question 5 (a) Do you think the CB should make it obligatory for a company to give reasons explaining its refusal to register a transfer of shares?
- (b) If your answer to (a) is in the affirmative, should the company be required to provide reasons with the refusal:
- (i) in the manner of the UKCA 2006 (i.e. mandatory whenever there is a refusal); or
- (ii) upon request, as in the case of transmissions by operation of law under section 69(1A) of the CO?
- Question 6 Do you have any comments on the draft provisions in the CB Consultation Draft – Parts 1, 3 to 9, 13 and 19 to 20? If so, please elaborate.