

[REDACTED]

From: Chase Tang [REDACTED]
Sent: Friday, October 9, 2020 6:19 PM
To: response
Subject: Opposition to Consultation Paper on Review of Listing Rules relating to Disciplinary Powers and Sanctions

WARNING: External email, please exercise caution.

Dear Sirs,

Opposition to Consultation Paper on Review of Listing Rules relating to Disciplinary Powers and Sanctions

I am writing to express my strongly opposition to Consultation Paper relating to the imposition of secondary disciplinary liability, please see my reasons as below:

First of all, the role of the Exchange should not be monitoring an individual company secretary directly, it will be a high cost and ineffective way for correction of professional disciplinary issues. As the professional disciplinary issue of the company secretary should be monitored by an appropriate institute, which is The Hong Kong Institute of Chartered Secretaries ("HKICS"), that strongly object to unqualified and non-professional persons being in the position of company secretary of a listed issuer. Therefore, in order to save cost and be more effective, the role of the Exchange should be to refer the appropriate issue to the right professional organization for determining whether the company secretary fails to pass the professional standards, resulting in a violation of the Listing Rules.

Secondly, the role of company secretary is in supporting the board by providing advice to the Board on corporate governance and compliance matters and facilitating continuous training to the Board in accordance with the rules and regulations, which is mentioned in "Guidance for Boards and Directors" published by the Exchange in July 2018. For any business decisions or any transaction, there is no exact authorisation or guideline that the company secretary must be provided all information and details of the transaction by the board. Therefore, there is a risk of innocent issues and unwarranted findings of secondary disciplinary liability that the company secretary may only advise on the limited extent of information that he can get and be involved in the announcement preparation and authorisation.

Thanks for your time. I hope that you can consider and respect our views on the consultation paper.

Best Regards,

Tang Yuet Yung, Chase

ACIS, ACS