

Hong Kong Corporate and Regulatory Insights

May 2021



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Equity Capital Markets

The Stock Exchange of Hong Kong Limited (SEHK) publishes Listed Issuer Regulation Newsletter

SEHK published Listed Issuer Regulation Newsletter with the following highlights:

Issuers meeting financial reporting obligations amid the COVID-19 pandemic.

- 31 March 2020 was the deadline for releasing preliminary financial results for more than 1,800 issuers with a December financial year-end, and there was a high level of compliance with the financial reporting deadlines during this reporting period.

Guidance on lending transactions.

- As some issuers failed to release their results after their auditors identified issues in their lending transactions, such as a lack of business rationale or commercial substance and defaults in repayment or full impairments shortly after the grant of the loans, SEHK highlighted relevant Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Listing Rules) and directors' obligations.
- SEHK will continue to monitor material loan transactions and directors' oversight of those loan transactions. It will also take enforcement actions as and when necessary and where required, collaborate with the Securities and Futures Commission (SFC) and other regulatory authorities.

Confirmation on material loan arrangements of counterparties with connected persons when vetting notifiable transactions.

- The issuer will confirm whether, to the best of the directors' knowledge and after reasonable enquiry, there is or has been any material loan arrangement in the last

12 months between the counterparty of the transaction and its ultimate beneficial owners who can exert influence on the transaction on one hand, and the issuer, its connected persons at the issuer's level, and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the transaction) on the other. A counterparty that is an entity will also provide a confirmation from its directors and legal representatives.

- SEHK will request this confirmation based on pre-defined criteria applicable to the transaction and the issuer. An issuer will be requested (under Rule 2.12A9) to provide this confirmation to SEHK as part of their commenting process on the issuer's announcement.

Highlights of listed issuers' spin-off activities

- It is stated the number of spin-off transactions has increased substantially in last year. These spin-offs are predominantly listed on SEHK and the PRC exchanges, with a majority of spun-off companies (spincos) engaged in the property management and healthcare businesses.
- SEHK summarizes some general observations and guidance on the administration of Practice Note 15 (PN15), including PN15 principles, remaining group must meet the minimum market capitalization and profit requirements, clear business delineation and spinco's independence, assured entitlement and some administrative matters.

Click [here](#) to view Listed Issuer Regulation Newsletter.

(HKEx, 28 May 2021)

SEHK publishes application forms

SEHK published two application forms for the purpose of shareholders'/regulatory meetings and directors/executive' essential business activities, respectively:

- Application Form for Exemption of Directors of Hong Kong-listed Companies or Listing Applicants on Duty Travel to Hong Kong under Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (with effect from 28 May 2021).
- Application Form for Exemption for Directors or Executives of Hong Kong-listed Companies Included in Hang Seng Index, Hang Seng China Enterprises Index or Hang Seng Composite LargeCap, MidCap or SmallCap Index (with effect from 28 May 2021).

Click [here](#) and [here](#) to view the two application forms.

(HKEx, 28 May 2021)

SEHK takes disciplinary action against Dongyue Group Limited (Stock Code: 189) and ten directors

The Listing Committee of SEHK (the Listing Committee) censures:

- Mr. Zhang Jianhong, executive director;

criticizes:

- Mr. Liu Chuanqi, former executive director;

and the Listing (Disciplinary Review) Committee on review

criticizes:

- Mr. Liu Yi, former independent non-executive director;

and the Listing (Disciplinary Review) Committee on review

censures:

- Mr. Cui Tongzheng, former executive director;

criticizes:

- Mr. Wu Tao, former executive director; Mr. Fu Kwan, executive director; Mr. Zhang Jian, executive director; Mr. Ting Leung Huel Stephen, independent non-executive director; Mr. Yang Xiaoyong, independent non-executive director; and Mr. Yue Run Dong, former independent non-executive director;

for failing to perform their directors' duties as required in breach of Rule 3.08(f) of the Listing Rules and their obligations under the Declaration and Undertaking (Undertaking) in the form set out in Appendix 5B to the Listing Rules.

The Listing (Disciplinary Review) Committee further censures Mr. Wu Tao for breaching his obligations under the Undertaking to cooperate in the investigation of the Listing Division and criticizes Dongyue Group Limited (Stock Code: 189) for failing to comply with various rules in Chapter 13 of the Listing Rules for the delayed publication of three sets of financial results and reports in 2015 and 2016.

Click [here](#) to view the statement of disciplinary action.

(HKEx, 27 May 2021)

SEHK takes disciplinary action against Tech Pro Technology Development Limited (Delisted, Previous Stock Code: 3823) and seven former directors

The Listing Committee censures:

- Tech Pro Technology Development Limited (Delisted, Previous Stock Code: 3823) (the Company) for failing to comply with (a) Rules 13.13, 13.15 and 14.34 of the Listing Rules in relation to a transaction which constituted an advance and the provision of financial assistance to an entity; and (b) Rules 13.46(2)(a), 13.48(1), 13.49(1) and 13.49(6) of the Listing Rules for the delayed publication of three sets of financial results and reports in 2017 and 2018.
- Mr. Lee Tsz Hang, former executive director; Mr. Liu Xinsheng, former executive director; Mr. Chiu Chi Hong, former executive director; and Mr. Li Wing Sang, former executive director for failing to perform their directors' duties as required in breach of Rules 3.08(a) and/or (f) of the Listing Rules and their obligations under the Undertaking.

And the Listing (Disciplinary Review) Committee on review

censures:

- Mr. Lau Wan Cheung, former independent non-executive director; Mr. Ng Wai Hung, former independent non-executive director; and Mr. Tam Tak Wah, former independent non-executive director for failing to perform their directors' duties as required in breach of Rules 3.08(f) of the Listing Rules and their obligations under the Undertaking.

Click [here](#) to view the statement of disciplinary action.

(HKEx, 26 May 2021)

SEHK publishes Frequently Asked Questions (FAQs)

SEHK publishes two FAQs, i.e. FAQ No. 073-2021 and FAQ No. 074-2021 on the

notifiable and connected transaction requirements relating to loan transactions and acquisitions of wealth management products.

Click [here](#) and [here](#) to view the two FAQs.

(HKEx, 21 May 2021)

Joint Statement on IPO-related misconduct

The SFC and SEHK issued a Joint Statement setting out the general approach to some regulatory issues noted in recent new listings and how they may deploy their respective powers under the Securities and Futures Ordinance (SFO), the Securities and Futures (Stock Market Listing) Rules (SMLR), the Listing Rules to tackle these issues in the future.

The observations and regulatory concerns include:

- "Ramp-and-dump" schemes having been associated with IPOs launched in recent years.
- Lack of a robust and transparent share placement and price discovery process.
- Unusually high underwriting commissions and suspicious arrangements.

In light of the concerns identified above, where a listing application displays one or more of the following features, the SFC and SEHK will make enquiries to ascertain whether there is sufficient genuine investor interest in the applicant and its securities and an adequate spread of shareholders to enable an open, fair and orderly market for the securities to develop after listing:

- (i) The applicant's market capitalization barely meets the minimum threshold under the Listing Rules.

- (ii) Very high price-to-earnings (P/E) ratio taking into account the applicant's fundamentals (including its profit forecast) and the valuations of its peers.
- (iii) Unusually high underwriting or placing commissions or other listing expenses.
- (iv) Shareholding is highly concentrated in a limited number of shareholders, particularly where the value of the public float is small and the spread of shareholders barely meets the minimum thresholds set out in the Listing Rules.

SEHK may exercise its discretion to reject a listing application if questions raised regarding the share placement and price discovery process are not satisfactorily addressed, or the basic conditions for listing under the Listing Rules such as sufficient public interest, open market in the shares and adequate spread of shareholders are not met.

The SFC is empowered under section 6(2) of the SMLR to object to a listing application if it appears to the SFC that, among other grounds, the application does not comply with the Listing Rules; or it would not be in the interest of the investing public or in the public interest for the securities to be listed.

Also, the SFC and SEHK will investigate and take appropriate action against the parties involved under the SFO, the SMLR or the Listing Rules, if:

- (i) There are any unusual movements in the share price or trading volume.
- (ii) There is a high concentration of shareholdings after listing.
- (iii) It appears that a listing document may have included false, incomplete or misleading information.
- (iv) There is evidence of other misconduct.

Click [here](#) to review the Joint Statement on IPO-related misconduct.

(HKEx, 20 May 2021)

SEHK publishes consultation conclusions on (1) the Main Board Profit Requirement and (2) review of Listing Rules relating to disciplinary powers and sanctions

SEHK published conclusions to its consultations on (1) the Main Board Profit Requirement, and (2) review of Listing Rules relating to disciplinary powers and sanctions.

Profit Requirement Consultation Conclusions

After careful consideration of all feedback, SEHK has modified the proposal in the Consultation Paper and will adopt the following approach: (a) a 60 percent increase in the Profit Requirement and amend the profit spread (the Modified Profit Increase); (b) the implementation date of the Modified Profit Increase will be 1 January 2022; and (c) providing flexibility by granting relief from the profit spread on case-specific circumstances.

SEHK will continue to work with the SFC in combating the regulatory issues and placing heightened scrutiny on cases displaying features as described in the Joint Statement.

Disciplinary Consultation Conclusions

SEHK will implement all the proposals relating to disciplinary powers and sanctions, with minor modifications, which will augment the range of reputational sanctions available. It will also ensure that disciplinary action can be brought against a broader range of individuals, including members of senior management, if they cause or knowingly participate in a

contravention of the Listing Rules. The revised Listing Rules set out in the Disciplinary Consultation Conclusions will be implemented with effect from 3 July 2021.

Click [here](#) to view the Profit Requirement consultation conclusions.

Click [here](#) to review the disciplinary consultation conclusions.

(HKEx, 20 May 2021)

SEHK takes disciplinary action against seven former directors of Huiyin Holdings Group Limited (Stock Code: 1178)

The Listing Committee censures:

- Mr. Chan Shun Yee, former executive director; Mr. Liu Min, former executive director; Mr. Xu Zhifeng, former executive director; Ms. Zhu Yanzhou, former independent non-executive director; Mr. Wong Tat Yan Paul, former independent non-executive director;

criticizes:

- Mr. Zhou Guohua, former executive director; and Mr. Su Rujia, former independent non-executive director;

for failing to perform their directors' duties, in breach of Rule 3.08(f) of Listing Rules and their obligations under the Undertaking.

In 2016, Huiyin Holdings Group Limited (Stock Code: 1178) (the Company) sought to acquire two other companies. However, issues arose in respect of the acquisition, with the result that the Company could not confirm whether it had in fact been completed. The directors above had failed to establish adequate internal controls in the Company to ensure that relevant documentation in respect of the acquisition

was obtained or retained. This led to a full impairment in respect of the acquisition of over US\$100 million, and a significant loss for the Company. All the above former directors to undergo training on Listing Rule compliance.

Click [here](#) to view the statement of disciplinary action.

(HKEx, 17 May 2021)

SEHK takes disciplinary action against six directors of Youyuan International Holdings Limited (delisted, previous Stock Code: 2268)

The Listing Committee censures:

- Mr. Ke Ji Xiong, executive director of Youyuan International Holdings Limited (delisted, previous Stock Code: 2268); Mr. Ke Wen Tuo, former executive director; Mr. Cao Xu, former executive director; Ms. Lian Bi Yu; former executive director; Mr. Zhang Guo Duan, former executive director; and Mr. Zhang Dao Pei, former independent non-executive director,

for breaching their Undertakings by failing to cooperate with the Listing Division in its investigation.

All the directors listed above were under investigation by the Listing Division for potential breaches of the Listing Rules. However, they failed to cooperate with that investigation, and accordingly breached their Undertakings.

Click [here](#) to view the statement of disciplinary action.

(HKEx, 13 May 2021)

Financial Services Regulation

HKMC Annual Report 2020

The Hong Kong Mortgage Corporation Limited (HKMC) today (31 May 2021) published its Annual Report for 2020. The Annual Report reviews the business performance, corporate governance, and initiatives on corporate social responsibility of the HKMC in 2020.

Please click [here](#) to view the Annual Report.

HKMA, 31 May 2021

Exemption for senior executives of licensed corporations - Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (Cap. 599C) - Compulsory Quarantine of Persons Arriving at Hong Kong from Foreign Places Regulation (Cap. 599E)

The Chief Secretary for Administration of the HKSAR Government has designated certain categories of persons in the financial services sector to be exempted from the compulsory quarantine arrangements in Hong Kong under Cap. 599C and Cap. 599E (Exemption Scheme).

Senior executives of licensed corporations or their overseas affiliates who are fully vaccinated and meet the eligibility criteria may apply for exemption from the compulsory quarantine arrangements when they return or travel to Hong Kong. The circular sets out the eligibility criteria for senior executives to qualify for the exemption, the application procedures and the requirements that they have to meet in Hong Kong.

The following senior executives will benefit from the Exemption Scheme:

- Senior executives travelling from and returning to Hong Kong — Senior executives of a licensed corporation with global or regional roles who are returning to Hong Kong after travelling

to foreign places primarily for the purposes of managing the group entities for which they have responsibility.

- Senior executives visiting Hong Kong — Global or regional heads or senior executives of financial institutions that a licensed corporation is affiliated with, who are travelling to Hong Kong primarily for the purposes of managing the licensed corporation.

For details of the Exemption Scheme, please click [here](#).

SFC, 28 May 2021

Postponement of effective date of revised financial return form

The Securities and Futures Commission (SFC) informs licensed corporations (LCs) that the effective date of the revised form of the returns required to be submitted by them under section 56 of the Securities and Futures (Financial Resources) Rules will be postponed to 1 January 2022.

An upgraded version of WINGS (a common platform for making electronic submissions to the SFC) is being developed with enhanced features. The electronic submission of financial returns will migrate to WINGS after the enhancements which will provide additional benefits for LCs and increase operational efficiency.

Please click [here](#) to view the circular.

SFC, 28 May 2021

Insurance Authority (IA) extends the validity of temporary facilitative measures to 30 September 2021

In view of the latest developments of the COVID-19 pandemic, on 27 May 2021 the IA

issued a circular to authorized long-term insurers announcing the extension of temporary facilitative measures for non-face-to-face distribution of specific protective insurance products to 30 September 2021. The scope of products covered and the implementation details of the measures remain unchanged.

Products covered by the temporary facilitative measures include Qualifying Deferred Annuity Policy, Voluntary Health Insurance Scheme products, term life policies, and refundable policies without substantial savings component or renewable policies without cash value that provide insurance protection. Insurers and intermediaries can distribute those products via different non-face-to-face means, such as digital, telemarketing, postal or video conferencing, but are required to make upfront disclosure at the point-of-sale and provide an extended cooling-off period of no less than 30 calendar days for the protection of policy holders.

Please click [here](#) to view the circular.

IA, 27 May 2021

Remote on-boarding and iAM Smart

The Hong Kong Monetary Authority (HKMA) encourages the wider adoption of iAM Smart in remote on-boarding arrangements to enhance effectiveness.

The identity verification requirements as set out in the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT Guideline) are sufficiently flexible to allow Authorized Institutions (AIs) to on-board customers remotely. Further, iAM Smart is an acceptable technology solution to meet these requirements and some AIs have already started testing remote on-boarding initiatives using iAM Smart.

In light of these developments and based on feedback received in the HKMA Fintech Supervisory Sandbox (FSS) and Chatroom, the Hong Kong Association of Banks (HKAB), with input from the HKMA, has updated the Frequently Asked Questions (FAQs) in relation to AML/CFT to help AIs understand how iAM Smart can be used in complying with the relevant AML/CFT requirements. AIs considering using iAM Smart to facilitate remote customer on-boarding or support ongoing due diligence may make reference to these FAQs, together with all relevant guidance including the AML/CFT Guideline.

Please click [here](#) to view the circular.

HKMA, 24 May 2021

SFC steps up efforts to combat IPO-related misconduct

The SFC, in collaboration with the Stock Exchange of Hong Kong Limited (SEHK), is intensifying its efforts to tackle misconduct and improper behavior related to new listings.

In some IPOs, the initial listing requirements may only have been satisfied by artificial means, such as allocating shares to controlled places at an inflated IPO price to satisfy the minimum market capitalization requirement of US\$500 million under the Main Board Listing Rules. Other questionable arrangements were apparently designed to enable market manipulation of the shares at a later date, such as through ramp and dump schemes.

As part of the regulatory response to address improper behavior, problematic applications with red flags are now subject to heightened scrutiny. If necessary, the regulators will use their regulatory powers to object to or reject an application.

In addition, the SFC works closely with SEHK to review each listing applicant's valuation, such as comparing its price-to-earnings ratio

against listed peers, to assess compliance with the minimum market capitalization and other initial listing requirements.

The SFC has also stepped up its supervision of firms taking part in IPO bookbuilding and placing activities. It will conduct in-depth inspections of those involved in problematic new listings and will take enforcement action against any IPO-related misconduct.

Please click [here](#) to view the circular.

SFC, 20 May 2021

HKMA requests AIs to assess the need for setting up secure tertiary data backup

In order to counter the risk of destructive cyber attacks, the HKMA requests all AIs to critically assess the need for setting up a secure tertiary data backup (STDB).

In light of recent international developments such as the US Sheltered Harbor initiative to address this type of cyber threats, the HKMA has invited the HKAB to develop guidelines on STDB that are appropriate for the banking landscape in Hong Kong.

After extensive consultation with member institutions, the HKAB issued the "Secure Tertiary Data Backup Guideline" on 30 April 2021 (STDB Guideline). The STDB Guideline provides guidance to banks on the factors they need to take into account in deciding whether to set up an STDB and what implementation issues they need to overcome in ensuring the effectiveness of the STDB. The Guideline covers eight high-level principles grouped under the headings of Governance, Design, and Data Restoration.

All retail banks and foreign bank branches with significant operations in Hong Kong are expected to submit a report containing the

result of their assessment to the HKMA by 30 November 2021.

Please click [here](#) to view the circular.

SFC, 18 May 2021

HKMA Announces Countercyclical Capital Buffer Ratio for Hong Kong

The HKMA announced on 17 May 2021 that the countercyclical capital buffer (CCyB) ratio for Hong Kong remains unchanged at 1.0 percent.

In setting the CCyB ratio the HKMA considered a series of quantitative indicators and qualitative information including an "indicative buffer guide" (which is a metric providing a guide for CCyB ratio based on the gap between the ratio of credit to GDP and its long term trend, and between the ratio of residential property prices to rentals and its long term trend). The latest indicative buffer guide, calculated based on 2020 Q4 data, signals a CCyB of 2.25 percent.

The CCyB is an integral part of the Basel III regulatory capital framework and is being implemented in parallel by Basel Committee member jurisdictions worldwide. The CCyB has been designed by the Basel Committee to increase the resilience of the banking sector in periods of excess credit growth.

Please click [here](#) to view the press release.

HKMA, 17 May 2021

Conduct In Focus looks at conduct issues for insurance agents selling insurance from temporary booths

The IA published its latest issue of Conduct In Focus on 17 May 2021, featuring the recent trend of insurance agents promoting insurance products in public places such as temporary booths and vacant retail outlets and related possible conduct issues.

An issue the IA observes is that certain "self-made" marketing materials and banners used in these sale activities to "hook" the customer's attention, may sometimes not be approved by the insurance agents' appointing principals. The IA also emphasizes the importance of providing adequate time and information to prospective customers during these activities, so they can make informed decisions. These sale activities can be an effective way of making potential customers aware of the importance of insurance, but it is imperative that they are conducted professionally and that the customers' interests are always put first.

Conduct In Focus also has a new feature called "Policyholder Corner" which provides practical guidance to the public on buying insurance or dealing with insurance matters based on the lessons learned from the complaints which the IA receives.

Please click [here](#) to view the latest edition of Conduct in Focus and [here](#) to view the circular.

IA, 17 May 2021

The People's Bank of China will issue Renminbi Bills through the Central Moneymarkets Unit of the HKMA

The People's Bank of China (PBOC) will issue Renminbi Bills through the Central Moneymarkets Unit of the HKMA.

Please click [here](#) to view the tender notice, [here](#) to view the tender information memorandum of the Renminbi Bills to be issued by the PBOC and [here](#) to view the tender-related information provided by the Issuing and Lodging Agent through the HKMA.

HKMA, 17 May 2021

IA designates three insurance holding companies under the group-wide supervision framework

The IA designated three insurance holding companies, namely AIA Group Limited, FWD Management Holdings Limited, and Prudential Corporation Asia Limited, to be subject to the group-wide supervision (GWS) by the IA.

Under the GWS framework, the IA, as the group supervisor appointed to regulate and supervise an insurance group, has direct regulatory powers over the designated insurance holding company (DIHC). Through the control and influence that the DIHC may exercise over the respective insurance group, the IA can carry out effective GWS over the insurance group.

Please click [here](#) to view the Guideline on Group Supervision, and [here](#) to view the circular.

IA, 14 May 2021

The implementation plan for Phase III and IV Open Application Programming Interface (Open API)

Following the implementation of Phases I and II of the Open API Framework in January and October 2019 respectively, the HKMA commissioned an external consultant to analyze and recommend ways forward for the implementation of Phases III and IV, taking into consideration international practices and local market situation.

Based on the recommendations in the Study Report entitled "The Next Phase of the Banking Open API Journey" (Study Report), the HKMA has decided to adopt a progressive approach to implementing Phase III and IV API functions that enable viable use cases involving lower implementation cost and risk. The initial batch of API functions, covering deposit account information and online merchant payments, are expected to be implemented progressively by the 28 participating banks starting from

December 2021. The HKMA will facilitate the HKAB to develop a set of standards covering key areas of customer experience and authentication, technical and data standards, information security, and operation standards. The HKAB will also refine the current Common Baseline document to include the scope of Open API Phase III and IV implementation.

The HKMA will continue to monitor the implementation progress, assess the market developments, and further consider the need for other measures to maximize the benefits of Open APIs.

Please click [here](#) to view the Study Report and [here](#) to view the press release.

HKMA, 13 May 2021

Revised banking returns and disclosure templates/tables for implementation of revised counterparty credit risk framework

The HKMA has finalised the revised templates and completion instructions (CIs) of the Return of Capital Adequacy Ratio (Form MA(BS)3) and the Return of Assets and Liabilities (Form MA(BS)1).

The electronic files for the two revised Returns and their accompanying CIs are available for downloading from the HKMA's supervisory communication [website](#). Reporting institutions should submit the two revised Returns to the HKMA, via the STET system, starting from the position as of 30 June 2021.

Please click [here](#) to view circular.

HKMA, 12 May 2021

Launch of grant scheme for open-ended fund companies and real estate investment trusts

The SFC announced on 10 May 2021 the implementation of the Government's grant scheme to subsidize the setting up of open-ended fund companies (OFCs) and real estate investment trusts (REITs) in Hong Kong.

For OFCs successfully incorporated in or re-domiciled to Hong Kong and SFC-authorized REITs successfully listed on the SEHK, the scheme covers 70 percent of eligible expenses paid to Hong Kong-based service providers, subject to a cap of \$1 million per OFC and US\$8 million per REIT.

The scheme will operate for three years and is open for applications starting 10 May 2021 on a first-come-first-served basis.

Please click [here](#) for more details of the scheme and [here](#) for the circular.

SFC, 10 May 2021

HKMA's statement on the 100 percent Personal Loan Guarantee Scheme

There has been news report suggesting that some people using false instruments claiming to help unemployed persons make applications for the 100 percent Personal Loan Guarantee Scheme (PLGS) at a handling fee.

The HKMC Insurance Limited (HKMCI) made the following statements to protect the interest of the applicants:

- When banks review loan applications under the PLGS, they will exercise professional expertise, judgement and care in conducting customer due diligence and verifying the eligibility of the borrowers. The HKMCI will also conduct appropriate checks and ensure that the approved applications meet the requirements. Any suspected illicit behavior will be reported to the law enforcement agencies.

- Participating banks will try their best to provide assistance to the applicants without levying any application fee or handling fee. The banks will remind the applicants that they need not make applications via a third party. If the borrowers pay any so-called fees to a third party during applications, they will suffer a direct financial loss.
- The overall default rate of the PLGS is assumed to be 25 percent. As the HKMCI had no experience in providing 100 percent loan guarantee for unemployed persons, and considering that no credit assessment is required under the PLGS and the applicants are unemployed, the same assumption as for the Special 100% Loan Guarantee for small and medium enterprises is adopted. Notwithstanding this, the actual default rate will depend on various factors, such as whether the economic environment will improve.

Please click [here](#) to view the press release.

HKMA, 09 May 2021

HKMA announces guideline on the Green and Sustainable Finance Grant Scheme (GSF Grant Scheme)

The HKMA today released a guideline on the Green and Sustainable Finance Grant Scheme (GSF Grant Scheme) as announced in the 2021-22 Budget. The GSF Grant Scheme will provide subsidy for eligible bond issuers and loan borrowers to cover their expenses on bond issuance and external review services. It will commence on 10 May 2021 and last for three years.

Chief Executive of the HKMA Mr. Eddie Yue believed that the launch of a new GSF Grant Scheme as proactive steps to support green and sustainable bond issuance and lending will

further enrich the green and sustainable finance ecosystem in Hong Kong.

Please click [here](#) to view the press release.

HKMA, 04 May 2021

Details of the Pilot Insurance-linked Securities Grant Scheme announced by the IA

The IA announced on 3 May 2021 details of the two-year Pilot Insurance-linked Securities Grant Scheme (Grant Scheme) promulgated in the 2021-22 Budget.

The Grant Scheme provides an incentive for insurance companies and organizations to issue insurance-linked securities in Hong Kong, while efforts are being made in parallel to map out a new regulatory scheme for Special Purpose Insurers set up in this connection.

More information on the eligibility criteria and sum of grant can be accessed [here](#).

IA, 3 May 2021

Data Protection

Privacy Commissioner welcomes WhatsApp's provision of practical alternatives to users relating to its new terms and policy

The Privacy Commissioner for Personal Data (PCPD) has been liaising with WhatsApp as to users' concerns on new Terms of Service and Privacy Policy (New Terms and Privacy Policy) since January 2021.

According to WhatsApp's latest response, PCPD noted that WhatsApp will not delete or reduce the functionality of users' account by virtue of users refusing to accept the New Terms and Privacy Policy. WhatsApp clarified that such users will be reminded of the update regularly instead. The PCPD welcomes WhatsApp's acceptance of suggestions to provide practical alternatives to such users.

Click [here](#) to read the media statement.

PCPD, 26 May 2021

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