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Re: Concept Paper on Weighted Voting Rights

Dear Sirs and Madams:

Bank of America Merrill Lynch appreciates the importance to the Stock Exchange of Hong Kong (HKEx) and the Hong Kong financial market generally of the questions presented regarding weighted voting rights (WVR). We commend the HKEx and the Securities and Futures Commission for devoting the resources in raising this topic for consideration by the public and market participants, particularly given that the number of public companies using WVR has historically risen and there will undoubtedly be more to come.

The consideration of adoption of a weighted voting rights regime touches upon a wide range of issues, some of which are particular to Hong Kong and some of which apply more to weighted voting rights generally. Issues such as the competitiveness of Hong Kong as a financial market and the HKEx as an listing venue, availability of a variety of financial products to Hong Kong investors and structures that allow management of public companies to focus on building long term value must be balanced against minority shareholder protections, floodgate concerns and challenges of designing a WVR regime that does not leave open the possibility of abuse.

Given the complexity of the issues involved we believe it would be appropriate to consider further the questions raised in chapter 7 of HKEx's Concept Paper. We accordingly support continued dialogue on these questions.

Respectfully submitted,

Bank of America Merrill Lynch

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