

The Hong Kong Blockchain Professional Institute Limited

Submission:

Consultation Paper on Codification of  
General Waivers and Principles Relating  
to IPOs and Listed Issuers and Minor Rule  
Amendments

27 September 2019

By Email: [response@hkex.com.hk](mailto:response@hkex.com.hk)  
Corporate Communications Department  
Hong Kong Exchanges and Clearing  
Limited 8th Floor, Two Exchange  
Square  
8 Connaught Place,  
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Dear Sirs

On behalf of the Hong Kong Blockchain Professional Institute (“Institute”), I am writing to express strong objection of the Consultation Paper on Codification of General Waivers and Principles Relating to IPOs and Listed Issuers and Minor Rule Amendments (Consultation Paper) to proposed Note 3 to Rule 3.28 and the general grant of waivers from strict compliance with Rule 3.28

*Terms and expressions used in this Submission shall have the meanings under the Consultation Paper.*

Strong Objection – Rule 3.28 Waivers

The reason for our objection are:

1. Sufficient time is already provided for unqualified company secretary of new issuers to study and gain relevant professional during listing process under Rules 8.05A(1), which requires 3 years management continuity of new issues prior to listing;
2. The proposal has considered the knowledge and experience of company secretary only but neglected his/her integrity and conducts;

Professional qualification of company secretary in Hong Kong are not only the recognition of qualified persons’ academic knowledge and experience but also required its members to strictly follow the code and conduct of relevant professional bodies. Failure to comply the codes and conducts may result investigation by or even removal of professional qualifications.

3. The rules and regulations in relation to fintech industry have been/will be come into effect in near future and qualified company secretary, as key gatekeeper of governance and compliance of listed companies in Hong Kong, should have sufficient and appropriate skills, knowledge and integrity to discharge his/her duties to match high global standards and assist HKEx to compete or merge with other stock exchange and global recognition in terms of governance.

Segregation of governance duties:

We also observed that many listed companies have combined the role of Head of financial/legal department and company secretary in ONE person, or company secretary is required to report to Head of financial department, which may cause conflict of interest or weaken check-and-balance of two important departments. We highly recommend that company secretarial should be a single department and should not report to another department head, similar to internal audit and financial functions.

Should you have any questions, please feel free to contact Mr. Angus Pang, director of the Institute at [REDACTED].

Yours sincerely

For and on behalf of  
The Hong Kong Blockchain Professional Institute Limited



Angus Pang  
Founder member and director