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[online version](http://www.charltonslaw.com/hong-kong-stock-exchange-publishes-20-country-guides-for-acceptable-jurisdictions-of-incorporation/)

# Hong Kong Stock Exchange Publishes 20 Country Guides for Acceptable Jurisdictions of Incorporation

The Hong Kong Stock Exchange (**Exchange**) has published [country guides](http://www.hkex.com.hk/eng/rulesreg/listrules/listsptop/listoc/list_of_aoj.htm) ([see archive](country_guides.pdf)) for twenty of the twenty-one overseas jurisdictions which the Exchange is willing to accept as a listing applicant’s jurisdiction of incorporation. This comes following the publication by the Exchange and the SFC of their revised [Joint Policy Statement Regarding the Listing of Overseas Companies](http://www.hkex.com.hk/eng/rulesreg/listrules/listsptop/listoc/Documents/new_jps_0927.pdf) (**Joint Policy Statement**) ([see archive](JPS.pdf)) in September 2013.

The new country guides set out how companies incorporated in the relevant jurisdictions can satisfy the Listing Rules’ requirement that the listing applicant’s jurisdiction of incorporation provides standards of shareholder protection that are at least equivalent to those provided under Hong Kong law. The Joint Policy Statement requires that an overseas listing applicant demonstrates how a combination of its domestic laws, rules and regulations and constitutional documents provide the key standards of shareholder protection set out in the Joint Policy Statement at paragraphs 31 to 41. Our [newsletter](http://www.charltonslaw.com/newsletters/hklaw/en/2013/209/nl-hklaw-20131009-209.html) of 9 October 2013 provides detailed information on the revised Joint Policy Statement.

According to the Joint Policy Statement, a listing applicant incorporated in an acceptable jurisdiction will not be required to give a detailed explanation of how it satisfies the key shareholder protection standards if it adopts the arrangements set out in the country guide for its jurisdiction of incorporation. However, the individual country guides require that a new listing applicant incorporated in the relevant jurisdiction should confirm to the Exchange when making its listing application that the laws, regulations and market practices contained in the country guide still apply, or provide details of any changes to the Exchange and inform it of any other laws, regulations and market practices that are relevant to the listing applicant.

The twenty jurisdictions for which country guides have been published are Australia, Brazil, the British Virgin Islands, Canada (Alberta), Canada (British Columbia), Cyprus, France, Germany, Guernsey, the Isle of Man, Italy, Japan, Jersey, Korea, Labuan, Luxembourg, Singapore, England and Wales, USA (California), and USA (Delaware). The jurisdiction for which a country guide has yet to be published is Ontario, Canada because the only Ontario listed company, Manulife, applied for listing in 1999, before the Joint Policy Statement’s original issue in 2007. The Exchange has said that a country guide for Ontario will be published, if appropriate, when a further Ontario incorporated applicant applies to list.

In addition to setting out how the key standards of shareholder protection can be met, the country guides also cover other requirements of the Joint Policy Statement including the following.

## International Regulatory Co-operation Matters

The country guides set out whether the relevant jurisdiction has adequate arrangements with the SFC for regulatory cooperation either by virtue of being a full signatory to the IOSCO MMOU or by virtue of an appropriate bi-lateral agreement entered into between the statutory securities regulator and the SFC. Where the listing applicant’s place of central management and control is in a jurisdiction other than its jurisdiction of incorporation, similar international cooperation arrangements must additionally be in place between the SFC and the securities regulator of that jurisdiction.

## Requirements for Constitutional Documents

Appendix 3 to the Main Board listing rules sets out the provisions which the Exchange requires to be included in a listing applicant’s articles of incorporation. Where the laws and regulations of the relevant jurisdiction do not have equivalent provisions for all the requirements on the contents of constitutional documents, the Exchange sets out in the guidance letters its requirements on the items required to be included in an applicant’s constitutional documents in order for it to meet the Exchange’s requirements.

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