

Response to the Hong Kong Chinese Enterprises Association

Schedule 1 – Amendments updating the prospectus regime

The proposed section 41A(2) is to clarify the application of civil and criminal liabilities under sections 40 and 40A to misrepresentation in the form of material omission. Disclosure requirements for prospectuses are clearly set out in Parts II or XII of, and the 3rd Schedule to, the Companies Ordinance and it is the responsibility of the issuer (and its adviser) to ensure that the prospectus satisfies these requirements.

Financial Services and the Treasury Bureau
Securities and Futures Commission

October 2003