

Regulatory

Developments

CSRC releases *Decision on Revising Several Opinions on Reforming, Improving and Strictly Implementing the Delisting System for Listed Companies*

CSRC recently released the Decision on Revising Several Opinions on Reforming, Improving and Strictly Implementing the Delisting System for Listed Companies to revise the Several Opinions on Reforming, Improving and Strictly Implementing the Delisting System for Listed Companies promulgated in 2014.

According to the rules of the Securities Law and actual needs, the revision mainly involves three aspects. (1) Specify provisions on enforced listing due to serious violation of law. If a listed company involves in material breach of law concerning fraudulent issuance, major information disclosure, national security, public security, ecological security, production safety and public health safety, the stock exchange should suspend or terminate the transaction of the company's stocks in strict accordance with the law. (2) Strengthen the main responsibility for implementing the delisting system at the stock exchange. Stock exchange should formulate implementing rules on suspending or terminating a listed company's qualification as such due to its serious breach of law. (3) Specify the responsibilities of main parties of the company that is enforced to exit the stock market due to serious law violations, including its controlling shareholders, actual controller, board members, supervisors and senior managers. They should cooperate with relevant parties in the delisting work and perform their duties.

[\(CSRC News\)](#) (Currently Available in Chinese)

Macro & Financial

Market News

Banking market governance yields results

With concerted efforts of regulators and banking financial institutions at all levels, the investigation, evaluation and field inspection work for the first half of 2018 has concluded. Banking financial institutions discovered 136,000 nonconformance items through self-examination, involving RMB13 trillion. Regulators of all levels held field inspection of 1051 banking financial institutions and discovered 14,800 nonconformance items, involving RMB2.47 trillion. In view of those breaches of laws and regulations, CBIRC will continue to strictly carry out regulation, impose punishments according to law and hold relevant parties accountable, in a bid to resolutely eliminate various malpractices in the banking industry. In H12018, 798

banking financial institutions were punished with a fine of RMB1.43 billion; 962 responsible persons were punished, who paid RMB30.26 million fine, and 175 of them were disqualified from engaging in the banking industry or serving in senior positions either for a period of time or a lifetime.

[\(CBRC News\)](#) (Currently Available in Chinese)

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