

**Regulatory
Developments**

CSRC Amends and Publishes the Measures for the Administration of Securities Offering and Underwriting

Amendments are made mainly in five areas: First, cancel administrative price restriction, and introduce autonomous distribution mechanism for lead underwriters to make pricing and distribution more compliant with market principles; Second, increase the proportion of offline distribution, and adjust the restriction over the quantity of investors offering effective quotations; Third, improve the online distribution mechanism, and respect the will of online investors to make subscription; Fourth, enhance information disclosure requirements during the entire issuance underwriting; Fifth, optimize the multi-level supervision regime, including administrative penalty, supervisory measure, self-regulation supervision and keeping record in credit file.

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

CSRC Solicits Public Opinions on the Supervisory and Administrative Measures of Non-listed Public Companies

The current amendment mainly includes: First, it specifies that non-listed public companies can transfer their shares only through the National Equities Exchange and Quotations (NEEQ) for SMEs. Second, it emphasizes shares listed for public transfer through NEEQ must be registered and deposited with China Securities Depository and Clearing Co., Ltd (CSEC) in a centralized manner. Third, it specifies that non-listed public companies can engage in equity financing, debt financing, asset restructuring and other activities according to law, thereby broadening financing, M&A and restructuring channels for enterprises. Fourth, it streamlines review procedures and increase review efficiency, that is, an application submitted by a company with no more than 200 shareholders for public transfer of its shares will be reviewed by NEEQ without the need of being approved by CSRC. Fifth, it defines the responsibility and role of NEEQ as a self-regulator.

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CSRC Solicits Public Opinions on the Pilot Measures for Administration of Preferred Shares (Draft for comment)

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The Measures contains 70 articles in 9 chapters, including General Provisions; Exercise of Preferred Shareholders' Rights; Issuance of Preferred Shares by Listed Companies; Private Offering of Preferred Shares by Non-listed Public Companies; Trading, Transfer, Registration & Settlement; Information Disclosure; Repurchase, M&A and Reorganization; Regulatory Measures & legal Liabilities; and Supplementary Provisions.

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