Rules for Admission of Firms and Persons for Taking-up Appointment of Liquidators, Provisional Liquidators or Special Managers in Non-Summary Court Winding-up Cases ("Panel A Rules")

The Official Receiver ("OR") maintains an Administrative Panel of Insolvency Practitioners for Court Winding-Up ("Panel A") to put forward insolvency practitioners for appointment as liquidators, provisional liquidators or special managers in -

(a) court winding-up cases where the OR is of the opinion that the property of the wound-up company is likely to exceed in value $200,000;

(b) cases where the proposed appointment is made under a regulating order;

(c) cases where the court is minded to invoke Panel A where, for example, there is dispute on the proposed appointment; or

(d) such other cases as the OR considers appropriate, for example, in an application under section 193 of the Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Cap. 32) ("Cap. 32") where the proposed provisional liquidators may have a conflict of interest.

(the Scheme is referred to as "the Panel A Scheme").

These Panel A Rules set out the details of the Panel A Scheme operated by the OR.

General

In these Panel A Rules, except where the context requires otherwise, -

(a) "firm" shall include "sole proprietorship", "partnership" and "company";

(b) "partners" shall mean "directors" in the case of a company and "the sole proprietor" in the case of sole proprietorship;

(c) "Panel A firm" shall mean a firm admitted to Panel A;

(d) an "IP" shall mean a person admitted to Panel A as an insolvency practitioner in relation to a Panel A firm;

(e) an "AT" shall mean an IP also admitted to Panel A as an appointment taker in relation to the relevant Panel A firm;

(f) words importing singular shall include the plural and vice versa;

(g) headings to any provisions of these Panel A Rules shall not in any way vary, limit or extend the interpretation of any provisions of these Panel A Rules;

(h) words importing one gender shall include all genders; and

(i) the Annexes attached to these Panel A Rules shall form part of these Panel A Rules.

I. Admission

Requirements for admission as a Panel A firm

A firm may apply to the OR for admission to as a Panel A firm. The firm making the application must demonstrate to the satisfaction of the Admission Committee (as provided in part IV below) that the firm meets the admission requirements in paragraphs 1 to 3 below.

Experience in liquidation services in Hong Kong

1. (i) A firm must have provided liquidation services in Hong Kong for at least three years immediately preceding its application.

(ii) The requirement under paragraph 1(i) above may be regarded as having been met in the following circumstances -

(a) in respect of a newly established firm,

- at least two ATs and three IPs of the firm have been admitted as such under the Panel A Scheme for not less than three years immediately preceding the establishment of the firm; and
- at least one of the ATs/IPs has been involved, for not less than three years immediately preceding the establishment of the firm, in the management of a firm which provides liquidation services in Hong Kong.

For the purpose of this sub-paragraph, a firm is a newly established firm if it has commenced its business not more than twelve months prior to its application for admission under the Panel A Scheme.

(b) in respect of a merged firm,

- at least one of the merged firms is able to meet the requirement under paragraph 1(i) above immediately prior to the merger.

For the purpose of this sub-paragraph, a firm is a merged firm if the merger took place not more than twelve months prior to its application for admission under the Panel A Scheme.

(c) in respect of a firm that has established a new department or division on liquidation (e.g. the firm has taken on the liquidation section/personnel of another firm that has left the market),

- at least two ATs and three IPs of the new department or division of the firm have been admitted as such under the Panel A Scheme for not less than three years immediately preceding the establishment of the new department or division; and
- at least one of the ATs/IPs has been involved, for not less than three years immediately preceding the establishment of the new department or division, in the management of a firm which provides liquidation services in Hong Kong.

For the purpose of this sub-paragraph, a firm does not fall within the description under this sub-paragraph if its new department or division on liquidation has been established for more than twelve months prior to its application for admission under the Panel A Scheme.

(iii) Apart from the circumstances specified in paragraphs 1(ii)(a), 1(ii)(b) and 1(ii)(c) above, the Admission Committee may at its sole discretion consider and regard other special circumstances with strong justifications in which the requirement under paragraph 1(i) above as having been met.

Resources

2. A firm must have adequate minimum resources as follows –

(i) at least four directly employed full-time certified public accountants, each of whom must be a member of the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have at least three years of post-qualification experience after registration as a certified public accountant with the HKICPA, and three of whom must be IPs with the qualifications stated in paragraph 4 below;

(ii) professional staff who have a good command of both English and Chinese; and

(iii) at least 16 directly employed full-time staff (including the certified public accountants/IPs referred to in paragraph 2(i) above) are designated to perform the service and deal with the winding-up cases to be allocated to the firm under the Panel A Scheme.

For the purpose of assessing the minimum resources of a firm under this paragraph, a partner of the firm shall be regarded as being under the direct employment of the firm, provided that a director shall not be regarded as being under the direct employment of the firm unless he has entered into a direct employment contract with the firm.

Submission of undertaking

3. On an application for admission as a Panel A firm, AT or IP, the firm, ATs and IPs must submit a duly signed **Undertaking Form A** (in case of an application for admission as a Panel A firm with ATs and IPs) or **Undertaking Form B** (in case of an application for admission as an AT and/or an IP only) (a copy of which is attached at **Annex A**) ("the Undertaking").

Requirements for admission as an IP

4. Each IP of the firm must be a member of HKICPA and a partner / full-time employee of the firm with –

(i) (a) minimum chargeable hours of relevant insolvency work (excluding Members' Voluntary Liquidations ("MVL") and bankruptcies) of -

600 in the last 3 years
or 750 in the last 5 years

with a minimum of 100 chargeable hours in each of the last 3 years or the last 5 years (as the case may be). The minimum chargeable hours of relevant insolvency work need not be those related to the firm. A pass in the HKICPA Professional Diploma in Insolvency Programme is equivalent to 50 chargeable hours of relevant insolvency work; and

(b) involvement at senior and responsible positions in 10 unconnected non-summary insolvency cases (excluding MVL and bankruptcies) in the last five years; and

(ii) experience in managing insolvency cases and either holding the position of partner or director or sole proprietor (as the case may be) of the firm, or occupying a position of manager or above and reporting directly to the partner of the firm.

For the purpose of this paragraph, paragraph 5 below and **Annex B**, *"relevant insolvency work"* means (1) insolvency work relating to Hong Kong insolvency cases (excluding MVL and bankruptcies), or (2) insolvency work relating to non-Hong Kong insolvency cases where the company has sufficient connection to Hong Kong (such as business or assets in Hong Kong). *"Hong Kong insolvency cases"* means (1) cases where the company, whether incorporated in or outside Hong Kong, is wound up in Hong Kong, and (2) cases where there is an appointment of a special manager, receiver or receiver and manager in Hong Kong in relation to the company, whether incorporated in or outside Hong Kong, and *"non-Hong Kong insolvency cases"* means any other cases where the company is wound up outside Hong Kong.

5. If the requirements in paragraph 4 above cannot be satisfied, the relevance of other professional qualifications and insolvency work including experience in handling non-Hong Kong insolvency cases may be considered under exceptional circumstances with strong justifications and will be determined by the Admission Committee at its sole discretion on the merit of each case.

5A. For the purpose of paragraph 4 above, no individual may be admitted to Panel A as an IP of more than one firm.

Requirements for admission as an AT

6. Each AT must satisfy the following requirements —

(i) he satisfies the requirements for the admission as an IP of the firm as provided in paragraphs 4 or 5 above; and

(ii) he is a partner of the firm or he is a principal of the firm or holds a position above that at the firm.

For the purpose of this paragraph, no individual may be admitted to Panel A as an AT of more than one firm.

6A. Appointments as liquidators, provisional liquidators or special managers should be in the names of at least two ATs of the firm, one of whom must be a partner of the firm. At least one of the ATs appointed must be contactable at any time and the ATs appointed must be available in Hong Kong when required by the Court, the OR or the creditors.

OR's discretion to reject an application if the firm or individual is not fit and proper

7. Notwithstanding the fact that a firm or an individual applying for admission as a Panel A firm or an AT or an IP may have met the requirements in paragraphs 1 to 6 above, in considering the application for admission, the OR may at her sole discretion reject the application if she considers that the firm or individual is not a fit and proper person to be admitted to Panel A as a Panel A firm or an AT or an IP on the basis of any matters which the OR considers relevant, including (but not limited to) the conduct of the Panel A firm, the AT or the IP, and any of the following matters –

(i) whether there are any proceedings against the firm or individual for commission of an offence, or any conviction of the firm or individual of an offence;

(ii) whether there are any disqualification proceedings or disqualification order against the firm or individual;

(iii) whether there are any disciplinary proceedings or action or investigation against the firm or individual, or any disciplinary ruling, finding, sanction or penalty against the firm or individual;

(iv) whether there are any committal proceedings against the firm or individual or any proceedings for removal of the individual from the office of provisional liquidator, liquidator, special manager or trustee in bankruptcy, or any finding of contempt of court against the firm or individual, or any removal order against the individual;

(v) whether there is any finding or ruling of the court or result of investigation that the individual is guilty of any misconduct, misfeasance, breach of duty, breach of trust or breach of any code of ethics or that the individual is not a fit and proper person to be appointed or act as a provisional liquidator, liquidator or special manager in a winding-up case or a trustee in bankruptcy in a bankruptcy case; and

(vi) whether there is any restructuring, scheme of arrangement or voluntary arrangement in relation to the firm or individual, or any presentation of a winding-up petition or bankruptcy petition against the firm or individual, or any winding up order or bankruptcy order against the firm or individual.

Without prejudice to the provisions in this paragraph, before rejecting an application, the OR will consult the Admission Committee while the final decision rests with the OR.

Continuing compliance of qualifying requirements

8. After the admission to the Panel A, the firm, the ATs and the IPs must continue to provide liquidation services in Hong Kong and meet the requirements set out in paragraphs 2, 4 (other than sub-paragraph (i)), 5A, 6 (other than paragraph 4(i)) and 6A above. If there is any change in the Panel A firm or any of its ATs or IPs which would result in the firm or any of its ATs or IPs no longer providing liquidation services in Hong Kong or meeting the above requirements or becoming unable to provide liquidation services in Hong Kong or meet the above requirements, the firm must inform the OR of such change within 14 days of such change.

II. Professional indemnity insurance and other security

9. Every Panel A firm must be covered by a professional indemnity insurance or other security to the satisfaction of the OR and the ATs may be required to give separate security on individual cases pursuant to rule 47 of the Companies (Winding-up) Rules (Cap. 32H) ("Cap. 32H") to the satisfaction of the OR.

III. Appointment of Liquidators

10. Following the making of a winding-up order, the OR becomes provisional liquidator by virtue of her office [section 194(1)(a) (Cap. 32)]. If the property of the wound-up company is in the opinion of the OR not likely to exceed in value $200,000, the OR may appoint other persons as provisional liquidator in her place in accordance with the provisions of section 194(1A) (Cap. 32). Unless the Court has made an order for the company to be wound up in a summary manner where the assets are not likely to exceed in value $200,000 [section 227F (Cap. 32)], the provisional liquidator must summon separate meetings of creditors and contributories of the company within three months of the date of the winding-up order [section 194(1)(b) (Cap. 32) and rule 106 (Cap. 32H)] to appoint a liquidator.

First Meeting of Creditors and Contributories

11. (i) In the first meeting of creditors and contributories in non-summary Court winding-up cases convened by the OR, the OR will explain the purposes of the meetings and first invite the persons attending to nominate and resolve to appoint a liquidator of their choice in place of the OR. The OR will explain in the meetings that an application will then need to be made to the Court for an appointment order.

(ii) In the absence of any nomination by the creditors and contributories or prior appointment of any special manager from the Panel A roster list, the OR will explain the Panel A Scheme and recommend the ATs of the next eligible Panel A firm on the Panel A roster list to the creditors and contributories for appointment as liquidators.

(iii) If the creditors and contributories resolve to appoint liquidators of their own choice who happen to be ATs (or IPs) of a Panel A firm on the Panel A roster list, then the appointment will not be counted as one appointment under the Panel A roster.

(iv) The creditors and contributories may in some instances resolve to appoint the OR as the liquidator. The OR will inform them that it is the OR's policy to have someone else appointed as liquidator in place of the OR. The OR will advise creditors and contributories that if they do resolve to appoint the OR as liquidator, the OR may apply to the Court to appoint liquidators or special managers from the Panel A roster list.

11A. If the OR has doubts about the suitability of a liquidator nominated by the creditors and contributories of their own choice, the OR may object to the appointment in the application to the Court for an appointment order and may recommend the ATs of the next eligible Panel A firm on the Panel A roster list to the Court for appointment as liquidators.

12. By virtue of section 194(2) (Cap. 32), where the OR is the liquidator of the Company, she may, at any time, apply to the Court for the appointment of a person as a liquidator in place of the OR. Besides, the OR may make an application for a regulating order when she is of the view that the winding-up of the company by the court shall be regulated specially by the court by virtue of section 227A (Cap. 32). The OR may nominate ATs of the next eligible Panel A firm on the Panel A roster list in her application to the Court.

12A. Any appointment or nomination for appointment of a liquidator is subject to the disqualification and disclosure provisions under sections 262A to 262F (Cap. 32) and rule 155 (Cap. 32H).

Special Managers

13. When the OR is appointed as provisional liquidator, and she is of the opinion that the assets of the wound-up company is likely to exceed in value $200,000, the OR may, if satisfied that the nature of the estate or business of the company, or the

interests of the creditors or contributories generally, or there are other grounds therefor, require the appointment of special managers, apply to the Court to appoint ATs of a Panel A firm as special managers under section 216 (Cap. 32). In that case, the appointment as special managers will be counted as one appointment under the Panel A roster list. In the first meeting of creditors and contributories later convened by the OR, the OR will in the absence of any nomination by the creditors and contributories recommend the special managers to the creditors and contributories for appointment as liquidators. In that case, the appointment as liquidator will not be counted as another appointment under the roster.

13A. Any appointment or nomination for appointment of a special manager as liquidator is subject to the disqualification and disclosure provisions under sections 262A to 262F (Cap. 32) and rule 155 (Cap. 32H).

Provisional Liquidators

14. (i) If the appointment of the provisional liquidator under section 193 (Cap. 32) is made from the Panel A roster list, then it will be counted as one appointment under the Panel A roster list. If the provisional liquidator so appointed becomes liquidator under section 194 (Cap. 32), the appointment will not be counted as another appointment under the Panel A roster list.

(ii) Where the petitioner has successfully applied to the Court to appoint a firm which is a Panel A firm to be the provisional liquidator prior to a winding-up order by the Court, and the appointment continues under section 194(1)(aa) (Cap. 32), the appointment will not be counted as one appointment under the Panel A roster list.

15. Any appointment or nomination for appointment of a provisional liquidator is subject to the disqualification and disclosure provisions under sections 262A to 262F (Cap. 32) and rule 155 (Cap. 32H).

The Roster System

16. Subject to the disqualification and disclosure provisions under sections 262A to

262F (Cap. 32) and rule 155 (Cap. 32H), the appointment will be given to the ATs of the first firm on the Panel A roster list. Newly admitted or re-admitted firms will be placed at the end of the Panel A roster list for allocation of cases. Firms voluntarily withdrawn or previously removed will have to submit a fresh application if they wish to be re-admitted.

IV. Admission Committee

17. (i) An Admission Committee, comprising three officers of the Official Receiver's Office ("ORO officer") (one of whom shall serve as the Chairperson) and three representatives from HKICPA or other professional bodies as determined by the OR as members, shall meet if required to consider any new application for admission, review admission status of admitted firms, ATs and IPs, review complaints on the performance of any firm, AT or IP or misconduct of any AT or IP in such capacity on the Panel A and take any action including reprimand, suspension or removal of any firm, AT or IP from the Panel A.

(ii) The Chairperson and two other members, one of whom must be a representative from the HKICPA and the other an ORO officer shall be a quorum for the meeting of the Admission Committee. Any meeting at which a quorum is present shall be competent to exercise all the functions and powers conferred upon the Admission Committee.

(iii) The Chairperson may exercise a casting vote at any meeting at which no majority can be obtained.

(iv) The Secretary of the Admission Committee shall be provided by the OR.

(v) Simple and straightforward matters/issues may be dealt with by written circulation instead of a physical meeting, provided that a physical meeting (either face-to-face or virtual meeting) shall be convened if a request for such meeting is made by any member of the Admission Committee and endorsed by the Chairperson.

(vi) If a member of the Admission Committee or his firm has any interest, whether actual or potential, in any matter under consideration by the Admission Committee, he shall, as soon as practicable after he has become aware of it, disclose it to other members of the Admission Committee and shall not participate in any discussion of the matter, unless otherwise agreed by all the other members of the Admission Committee.

18. The Admission Committee shall notify each applicant and any firm or member on the Panel A of its decisions in writing.

V. Application Procedures

19. Every firm and/or individual that wish to join the Panel A shall submit a duly signed **Application Form A** and/or **Application Form B** (a copy of which is attached at **Annex B**) to the OR.

20. The OR will invite the HKICPA or other relevant professional or governing bodies as the case may be to verify the information declared in the application forms with its membership records to the extent of information held in those records and advise the OR of any discrepancy.

21. The OR may request the applicant to provide any further information that she may reasonably require, and shall place the application before the Admission Committee for its consideration.

22. If an application is not approved by the Admission Committee or the Appeal Panel or is rejected by the OR, the applicant may submit a fresh application at any time.

VI. Remuneration of Provisional Liquidators, Liquidators and Special Managers

23. (i) Where there is a Committee of Inspection, the liquidator appointed according to the Panel A roster list will be remunerated on such basis and at such rates as may be agreed between the liquidator and the Committee of Inspection [section 196(2)(a) (Cap. 32)]. If the agreement is for

remuneration on a time-cost basis, (a) for the cases where the appointment of liquidator is made before 1 April 2024, the rates applied shall not be higher than the standard rates as at the date of the appointment as liquidator, and (b) for the cases where the appointment of liquidator is made on or after 1 April 2024, the rates applied shall not be higher than the standard rates prevailing as at the date of the services rendered, unless the Committee of Inspection or the Court agrees to different rates.

(ii) Where there is no Committee of Inspection or the liquidators and the Committee of Inspection fail to agree, the liquidator appointed according to the Panel A roster list will be remunerated on such basis and at such rates as may be directed by the Court [section 196(2)(b) (Cap. 32)]. If the remuneration is on a time-cost basis, (a) for the cases where the appointment of liquidator is made before 1 April 2024, the rates applied shall not be higher than the standard rates as at the date of the appointment as liquidator, and (b) for the cases where the appointment of liquidator is made on or after 1 April 2024, the rates applied shall not be higher than the standard rates prevailing as at the date of the services rendered, unless the Court agrees to different rates.

(iii) The standard rates are the rates set out at **Annex C**. The standard rates of fees may be adjusted by the OR where appropriate. Panel A firms will be advised of the adjusted rates of fees as soon as practicable.

[Note: In relation to paragraphs 23(i) and 23(ii) above, for the cases where the appointment of liquidator is made before 1 April 2024 and in so far as the standard rate is concerned, the OR has no objection to the application of the prevailing standard rates as at the date of the services rendered provided that the Committee of Inspection or the Court agrees to it. This is not applicable to those cases where the Committee of Inspection or the Court agrees to different rate(s) or to those remuneration and fees already approved and/or charged.]

VII. Performance and fitness of the Firm, AT or IP

Situations under which the Admission Committee may take actions against a Panel A firm, an AT or an IP

24. (i) The Admission Committee may reprimand a Panel A firm, an AT or an IP, remove them from Panel A, or suspend them from Panel A for such period as the Admission Committee may at its absolute discretion decide as appropriate in any of the following situations –

(a) If the Panel A firm, the AT or the IP fails to carry out the work in any case allocated to the Panel A firm under the Panel A Scheme to a standard acceptable to the Admission Committee or to the best of the ability of the Panel A firm, the AT or the IP (as the case may be).

(b) If the quality of the work carried out by the Panel A firm, the AT or the IP is considered unsatisfactory.

(c) If there is any breach or non-compliance of any provision of these Panel A Rules by the Panel A firm, the AT or the IP, or any breach of the Undertaking by the Panel A firm, the AT or the IP, as determined by the Admission Committee.

(d) If any information provided by the Panel A firm, the AT or the IP in their application for admission to the Panel A is found to be false or misleading in any material particular.

(e) If there is any change in the Panel A firm, the AT or the IP which would result in the Panel A firm, the AT or the IP not being able to meet any of the requirements set out in 2, 4 (other than sub-paragraph (i)), 5A, 6 (other than paragraph 4(i)) and 6A above.

Written notice demanding a Panel A firm, an AT or an IP to make good any breach or non-compliance within a requisite period

(ii) Without prejudice to the provisions on the rights of the Admission Committee in paragraph 24(i) above, the Admission Committee may by written notice to a Panel A firm, an AT or an IP (as the case may be) require the Panel A firm, the AT or the IP to take such action as may be appropriate to comply with these Panel A Rules or the Undertaking at **Annex A**, or to make good any breach or non-compliance of these Panel A Rules or the Undertaking or any unsatisfactory performance within a requisite period from the date of the written notice. The failure of the Panel A firm, the AT or the IP (as the case may be) to comply with the requirements in such written notice within the requisite period will constitute a breach of these Panel A Rules or the Undertaking.

OR's power to take actions against a Panel A firm, an AT or an IP who is not fit and proper

24A. Notwithstanding any provisions herein contained, the OR may at her sole discretion reprimand a Panel A firm, an AT or an IP, remove them from Panel A, or suspend them from Panel A for such period as the OR may think fit, if the OR is of the view that the Panel A firm, the AT or the IP is not or ceases to be a fit and proper person to be admitted to Panel A as a Panel A firm, an AT or an IP on the basis of any matters which the OR considers relevant, including (but not limited to) the conduct of the Panel A firm, AT or IP and any of the following matters –

(i) whether there are any proceedings against the Panel A firm, the AT or the IP for commission of an offence, or any conviction of the Panel A firm, the AT or the IP of an offence;

(ii) whether there are any disqualification proceedings or disqualification order against the Panel A firm, the AT or the IP;

(iii) whether there are any disciplinary proceedings or action or investigation against the Panel A firm, the AT or the IP, or any disciplinary ruling, finding, sanction or penalty against the Panel A firm, the AT or the IP;

(iv) whether there are any committal proceeding against the Panel A firm, the AT or the IP or any proceedings for removal of the AT or the IP from the office of provisional liquidator, liquidator, special manager or trustee in bankruptcy, or any finding of contempt of court against the Panel A firm, the AT or the IP, or any removal order against the AT or the IP;

(v) whether there is any finding or ruling of the court or result of investigation that the AT or IP is guilty of any misconduct, misfeasance, breach of duty, breach of trust or breach of any code of ethics or that the AT or IP is not a fit and proper person to be appointed or act as a provisional liquidator, liquidator or special manager in a winding-up case or a trustee in bankruptcy in a bankruptcy case; and

(vi) whether there is any restructuring, scheme of arrangement or voluntary arrangement in relation to the Panel A firm, the AT or the IP, or any presentation of a winding-up petition or bankruptcy petition against the Panel A firm, the AT or the IP, or any winding up order or bankruptcy order against the Panel A firm, the AT or the IP.

24B. Without prejudice to the provisions in paragraph 24A above, before exercising the powers under paragraph 24A above, the OR will consult the Admission Committee while the final decision rests with the OR.

Status of a Panel A firm, an AT or an IP after suspension and removal from Panel A

25. If a Panel A firm is suspended from Panel A, whether at the decision of the Admission Committee under paragraph 24(i) above or by the OR under paragraph 24A above, all of the ATs and IPs of the Panel A firm will be suspended from Panel A. If a Panel A firm is removed from Panel A, whether at the decision of the Admission Committee under paragraph 24(i) above or by the OR under paragraph 24A above, all of the ATs and IPs of the Panel A firm will be removed from Panel A.

Firms and practitioners which have been suspended from or ceased to be on Panel A

26. Firms which have been suspended from Panel A or ceased to be on the Panel A should not hold themselves out as being currently registered Panel A firms, and practitioners who are registered ATs and/or IPs of a firm should not hold themselves out as being currently registered ATs and/or IPs after they have left the firm or after that firm has been suspended from Panel A or ceased to be a Panel A firm or after they have been suspended from Panel A or ceased to be on Panel A.

General right and duty of the OR as the regulator of the insolvency regime

27. Nothing in these Panel A Rules shall in anyway prejudice or affect the right and duty of the OR, as the regulator of the insolvency regime, to ensure the suitability or fitness of any person appointed or proposed to be appointed as a provisional liquidator, liquidator or special manager in a winding-up case or trustee in bankruptcy in a bankruptcy case, including but not limited to her right not to put forward or recommend any person for such appointment (even if the person is an AT of the next eligible Panel A firm on the Panel A roster list), and her right to object any such appointment, address the court of the OR's concern about the person's fitness and to apply to the court for direction or removal of such person from the office of provisional liquidator, liquidator, special manager or trustee in bankruptcy (even if the person is an AT of a Panel A firm).

27A. On making a decision as to whether to accept an application for admission to the Panel A or to reprimand a Panel A firm, an AT or an IP, remove them from Panel A, or suspend them from Panel A for a period of time under the Panel A Rules, the Admission Committee or the OR (as the case may be) may impose such conditions as the Admission Committee or the OR thinks fit, such as requiring a person to give an undertaking on such terms as the Admission Committee or the OR requires.

VIII. Appeal Panel

28. An Appeal Panel, comprising the OR (as the Chairperson), two members to be

nominated by HKICPA (at least one of whom shall be a member of the HKICPA Council or permanent staff) and two other members who are independent lay persons to be determined by the OR, will be set up to consider any appeal against the decision of the Admission Committee, including rejection of application for admission, reprimand, suspension or removal of any firm, AT or IP from the Panel A. The Appeal Panel shall be constituted and shall operate in accordance with the Appeal Rules, which is set out in **Annex D**.

IX. Effective Date and Transitional Arrangement

29. These Panel A Rules will be effective on 1 April 2024.

30. (i) All Panel A firms, ATs and IPs which have been admitted to Panel A under the rules of the Panel A that were in force from time to time before 1 April 2024 ("the previous Rules") and remained on Panel A immediately before 1 April 2024 are required to satisfy or comply with all requirements as stipulated in these Panel A Rules.

(ii) (a) For Panel A firms, ATs and IPs that were unable to meet all the requirements under the previous Rules but the Admission Committee (formerly known as Approval Committee) had exercised the discretion to waive the compliance of any such requirements and admitted such Panel A firms, ATs and IPs, to the extent of waived requirements, these Panel A firms, ATs and IPs would be deemed to have satisfied the relevant requirements under these Panel A Rules, but not the other requirements under these Panel A Rules.

(b) The waiver mentioned in paragraph 30(ii)(a) above does not apply to future applications by such firms and individuals under these Panel A Rules.

1 April 2024

Annex A

Undertaking Form A for Admission as Panel A Firm

To: The Official Receiver
(By post:
Official Receiver's Office
10/F, Queensway Government Offices
66 Queensway
Hong Kong)

UNDERTAKING

In consideration of our firm, (insert name of firm) ("our firm"), and the undersigned being admitted to the Administrative Panel of Insolvency Practitioners for Court Winding-Up ("Panel A") as a Panel A firm, ATs and IPs (as the case may be), we, the undersigned, hereby jointly and severally undertake on behalf of our firm and ourselves to do and/or procure our firm to do the following -

1. to accept and carry out to a standard acceptable to the Admission Committee and to the best of the ability of every appointment taker of our firm in every insolvency case that is to be allocated to me and any other member of this firm as Special Managers or Liquidators according to the Official Receiver's (OR) Panel A Scheme or when I am or any other member of our firm is nominated by a petitioning creditor or when I am or any other member of our firm is appointed at a meeting of creditors;

2. subject to the agreement of the Committee of Inspection or the determination of the Court, to charge for any of the work in paragraph 1 on a time-cost basis and not higher than: (a) for the cases where the appointment of liquidator is made before 1 April 2024, the standard rates as at the date of appointment as liquidator; and (b) for the cases where the appointment of liquidator is made on or after 1 April 2024, the standard rates prevailing as at the date of the services rendered, or I and/or any other member of our firm as appointment taker may apply to the Committee of Inspection or to the Court to be remunerated at different rates;

3. to carry out statutory investigation into the affairs of the company by applying the standard of investigation as set out in **Annex E** to the Panel A Rules for the Admission of Firms and Persons to the Panel A, and to compile an account in lieu

of a statement of affairs and where applicable applying to Court for release as a liquidator, and reserving from distribution sufficient funds to carry out these functions;

4. to bring every such case to a reasonable conclusion to the satisfaction of the Official Receiver;

5. to keep a complete case record of every such case, to produce it for inspection by the OR whenever required, and to preserve such records as are required by the OR for at least seven years from the date of release;

6. to accept and abide by all the provisions of the Panel A Rules to nominate accountants for appointment and to act as liquidators, provisional liquidators or special managers in Court winding-up cases;

7. to inform the OR within 14 days of becoming aware of any of the following relating to our firm, or AT or IP of our firm-

   (a) there are proceedings against our firm, or any AT or IP of our firm for the commission of an offence, or conviction of our firm, or any AT or IP of our firm for an offence;
   (b) there are disqualification proceedings or disqualification order against any AT or IP of our firm;
   (c) there are disciplinary proceedings or action or investigation against our firm, or any AT or IP of our firm, or a disciplinary ruling, finding, sanction or penalty against our firm, or any AT or IP of our firm;
   (d) there are committal proceedings against our firm, or any AT or IP of our firm or proceedings for removal of any AT or IP of our firm from the office of provisional liquidator, liquidator, special manager or trustee in bankruptcy, or a finding of contempt of court against our firm, or any AT or IP of our firm, or a removal order against any AT or IP of our firm;

(e) there is a finding or ruling of the court or result of investigation that any AT or IP of our firm is guilty of misconduct, misfeasance, breach of duty or breach of trust or breach of any code of ethics, or that any AT or IP of our firm is not a fit and proper person to be appointed or act as provisional liquidator, liquidator, special manager in a winding-up case or trustee in bankruptcy in a bankruptcy case; and

(f) there is a restructuring, scheme of arrangement or voluntary arrangement in relation to our firm, or any AT or IP of our firm, a presentation of a winding-up petition or bankruptcy petition against our firm, or any AT or IP of our firm, a winding-up order or bankruptcy order against our firm, or AT or IP of our firm;

8. after the admission of our firm to the Panel A, to continue to provide liquidation services in Hong Kong and meet the requirements set out in paragraphs 2, 4 (other than sub-paragraph (i)), 5A, 6 (other than paragraph 4(i)) and 6A of the Panel A Rules. If there is any change in our firm or any AT or IP of our firm, including contact information or those which would result in our firm or any AT or IP of our firm no longer providing liquidation services in Hong Kong or meeting the above requirements or becoming unable to provide liquidation services in Hong Kong or meeting the above requirements, to inform the OR of such change within 14 days of the change;

9. to acknowledge and accept that the OR and the Admission Committee of the Panel A may suspend or remove our firm or any AT or any IP of our firm from Panel A, and once our firm and/or an AT/IP of our firm is removed pursuant to the provisions of the Panel A Rules, a fresh application will have to be made if our firm or any of the practitioner of our firm wishes to be re-admitted; and

10. to accept any decision of the Appeal Panel as final in case of a dispute.

Dated this day of 20XX.

Signature .....

Name in capitals .....
(*Partner/Sole Proprietor/Director)

Firm name .....

Address .....

.....

.....

Witness signature .....

Name in capitals .....

Occupation .....

Signature .....

Name in capitals .....
(*Partner/Sole Proprietor/Director/_____)

Firm name .....

Address .....

.....

.....

Witness signature .....

Name in capitals .....

Occupation .....

Signature .....

Name in capitals .....
(*Partner/Sole Proprietor/Director/_____)

Firm name .....

Address .....

.....

.....

Witness signature .....

Name in capitals .....

Occupation .....

Signature .....

Name in capitals .....
(*Partner/Sole Proprietor/Director/_____)

Firm name .....

Address .....

.....

.....

Witness .....

Name in capitals .....

Occupation .....

Signature .....

Name in capitals .....
(*Partner/Sole Proprietor/Director/_____)

Firm name .....

Address .....

.....

.....

Witness .....

Name in capitals .....

Occupation .....

* Please delete as appropriate.

Undertaking Form B for Admission as an AT/IP

To: The Official Receiver
(By post:
Official Receiver's Office
10/F, Queensway Government Offices
66 Queensway
Hong Kong)

UNDERTAKING

In consideration of me being admitted to the Administrative Panel of Insolvency Practitioners for Court Winding-Up ("Panel A") as an AT/IP* of my firm (insert name of firm) ("my firm"), I, (name), Partner/Sole Proprietor/Director* of (name of firm), hereby undertake to do and/or procure my firm to do the following:

1. to accept and carry out to a standard acceptable to the Admission Committee and to the best of my ability in every insolvency case that is to be allocated to me as Special Managers or Liquidators according to the Official Receiver's (OR) Panel A Scheme or when I am nominated by a petitioning creditor or when I am appointed at a meeting of creditors;

2. subject to the agreement of the Committee of Inspection or the determination of the Court, to charge for any of the work in paragraph 1 on a time-cost basis and not higher than: (a) for the cases where the appointment of liquidator is made before 1 April 2024, the standard rates as at the date of appointment as liquidator; and (b) for the cases where the appointment of liquidator is made on or after 1 April 2024, the standard rates prevailing as at the date of the services rendered, or I as appointment taker may apply to the Committee of Inspection or to the Court to be remunerated at different rates;

3. to carry out statutory investigation into the affairs of the company by applying the standard of investigation as set out in **Annex E** to the Panel A Rules for the Admission of Firms and Persons to the Panel A, and to compile an account in lieu of a statement of affairs and where applicable applying to Court for release as a liquidator, and reserving from distribution sufficient funds to carry out these functions;

4. to bring every such case to a reasonable conclusion to the satisfaction of the Official Receiver;

5. to accept and abide by all the provisions of the Panel A Rules to nominate accountants for appointment and to act as liquidators, provisional liquidators or special managers in Court winding-up cases;

6. to inform the OR within 14 days of becoming aware of any of the following relating to me –

   (a) there are proceedings against me for the commission of an offence, or conviction of me for an offence;
   (b) there are disqualification proceedings or disqualification order against me;
   (c) there are disciplinary proceedings or action or investigation against me, or a disciplinary ruling, finding, sanction or penalty against me;
   (d) there are committal proceedings against me or proceedings for removal of me from the office of provisional liquidator, liquidator, special manager or trustee in bankruptcy, or a finding of contempt of court against me, or a removal order against me;
   (e) there is a finding or ruling of the court or result of investigation that I am guilty of misconduct, misfeasance, breach of duty or breach of trust or breach of any code of ethics, or that I am not a fit and proper person to be appointed or act as provisional liquidator, liquidator, special manager in a winding-up case or trustee in bankruptcy in a bankruptcy case; and
   (f) there is a restructuring, scheme of arrangement or voluntary arrangement in relation to me, a presentation of a winding-up petition or bankruptcy petition against me, a winding-up order or bankruptcy order against me;

7. after the admission of my firm to the Panel A, to continue to provide liquidation services in Hong Kong and meet the requirements set out in paragraphs 2, 4 (other than sub-paragraph (i)), 5A, 6 (other than paragraph 4(i)) and 6A of the Panel A Rules. If there is any change in my status, including contact information or those which would result in me no longer providing liquidation services in Hong Kong or meeting the above requirements or becoming unable to provide liquidation services in Hong Kong or meeting the above requirements, to inform the OR of such change within 14 days of the change;

8. to acknowledge and accept that the OR and the Admission Committee of the Panel A may suspend or remove my firm or any AT or any IP of my firm from Panel A, and once my firm and/or an AT/IP of my firm is removed pursuant to the provisions of the Panel A Rules, a fresh application will have to be made if my firm or any of the practitioner of my firm wishes to be re-admitted; and

9. to accept any decision of the Appeal Panel as final in case of a dispute.

Dated this day of 20XX.

Signature .....

Name in capitals .....
(*Partner/Sole Proprietor/Director/_____)

Firm name .....

Address .....

.....

.....

Witness signature .....

Name in capitals .....

Occupation .....

* Please delete as appropriate.

Annex B

Application Form A
Application for Admission as Panel A Firm

To: The Official Receiver
(By post:
Official Receiver's Office
10/F, Queensway Government Offices
66 Queensway
Hong Kong)

I. Firm Name _____ (In English)

_____ (In Chinese)

II. Registered Address _____

_____

III. ☐ Company ☐ Partnership ☐ Sole Proprietor

IV. HKICPA Member Firm: ☐ Yes ☐ No

(Copy of certificate of incorporation is required for non-HKICPA Corporation)

V. Particulars of the firm

(a) Limited Company

	Name of shareholders	No. of issued shares held
(i) Issued share capital		

(ii) Directors:
Name of directors _____

_____

_____

_____

(b) Partnership

Name of partners _____

_____

_____

_____

(c) Sole proprietor

Name of sole proprietor _____

VI. No. of full-time professionals of the firm handling insolvency works _____

VII. No. of full-time non-professionals or semi-professional supporting staff _____

VIII. Years of the firm dealing with insolvency matters

HK: _____ to _____

Non-HK: _____ to _____

IX. Full-time professionals, full-time non-professionals or semi-professional supporting staff (**Application Forms B** for registration of Insolvency Practitioner (IP) and/or Appointment Taker (AT) should be attached. **Please also provide copies of relevant certificates of qualifications for all listed professionals.)**

	Name	Current Position	Length of service with the firm	(please ✓) Professional qualification (if any)	(please ✓) Apply for IP	AT
1.				□	□	□
2.				□	□	□
3.				□	□	□
4.				□	□	□
5.				□	□	□
6.				□	□	□
7.				□	□	□
8.				□	□	□
9.				□	□	□
10.				□	□	□
11.				□	□	□
12.				□	□	□
13.				□	□	□
14.				□	□	□
15.				□	□	□
16.				□	□	□

X. Does the firm have an international affiliation network? If so, please describe.

_____

_____

XI. Please disclose any of the matters relating to the firm, ATs and IPs of the firm under paragraphs 7(i) to 7(vi) of the Panel A Rules.

_____

_____

I confirm that the information listed above is true and correct and I am willing, if requested by the Official Receiver ("OR"), to provide further information to support/clarify the above information. I understand that if any of the above information is found to be false or misleading in any material particular, the Admission Committee has the right to immediately remove the firm, any AT or IP of the firm from Panel A.

Signed by: _____

(Name of *director/partner/sole proprietor)

_____

Firm Name in Print

_____

Company Chop

Date: _____

* Please delete as appropriate

IMPORTANT NOTE

In completing this application form, please read the "Personal Information Collection Statement" below:

Personal Information Collection Statement

In accordance with the Data Protection Principles of the Personal Data (Privacy) Ordinance (Cap. 486), please note the following:

1. Personal data provided in this form will be used for application for admission under the Panel A Scheme. If insufficient or inaccurate information is provided, the application may not be considered.
2. Personal data provided in this form may be disclosed to the parties responsible for assessing applications.
3. Applicants have the right of access and correction with respect to their own personal data. Enquiries concerning the personal data collected, including the making of requests for access and corrections, should be addressed to Personal Data Privacy Officer of the Official Receiver's Office, 10th Floor, High Block, Queensway Government Offices, 66 Queensway, Hong Kong.

Application for Admission as Appointment Taker / Insolvency Practitioner under the Panel A Scheme
Application Form B

To: The Official Receiver
(By post:
Official Receiver's Office
10/F, Queensway Government Offices
66 Queensway, Hong Kong)

(By email: oropanela@oro.gov.hk)

Note

1. Please provide copy of relevant certificate of qualification.
2. (i) Please round to the nearest integer.
   (ii) Please indicate relevant reporting period covering a 12-month period (from January to December / April to March / July to June / October to September).
3. (i) If case name cannot be released due to confidential reason, please specify the nature of business of the case.
   (ii) Please provide details of a minimum number of 10 unconnected non-summary insolvency cases.
4. Please note that the relevance of other professional qualifications other than HKICPA Member may be considered under exceptional circumstances with strong justifications and will be determined by the Admission Committee.
5. Please note that the relevance of other insolvency work including experience in handling non-Hong Kong insolvency work other than those referred to in paragraph 4 of the Rules may be considered under exceptional circumstances with strong justifications and will be determined by the Admission Committee on the merit of each case. The categories of work listed in item (I) to item (V) are generally recognised by the ORO as relevant insolvency work. Applicant may report the time spent on other nature of work in item (VI). However, applicants must specify adequate details in respect of each nature of work listed in item (VI) for members of the Admission Committee's consideration.
6. Please submit (i) the original copy of the duly signed Application Form B and supporting documents by post; and (ii) email the excel file of the completed Application Form B to oropanela@oro.gov.hk.

Name of the Certified Public Accountant: (In English) (In Chinese)

Application for : □ Appointment Taker □ Insolvency Practitioner [Please tick as appropriate]

HKICPA Membership Number [Note 1]: (Since MM / YYYY)

Member of other professional body [Note 1 & 4] (if any):

Firm Name:

Current Position in the firm: (Since MM / YYYY)

Position in the firm: Year 1: Year 2: Year 3: Year 4: Year 5:

Professional Diploma in Insolvency [Note 1] (if any) **(organized by HKICPA):** [Please indicate year of completion]

							Chargeable hours [Note 2]					
							Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**	
	Case Name [Note 3]	**Winding-up No./ Court Case No.** (if any)	**Position held (Manager or above)** (Please also indicate so if you were appointed as appointment taker (singly or jointly).)	**Performed** (from MM/YY to MM/YY)	**Summary/ Non-summary**	**Brief description of tasks performed** Please indicate the cases belong to: - (A) Hong Kong insolvency cases (excluding MVL and bankruptcies); or (B) Non-Hong Kong insolvency cases where the company has assets/business in Hong Kong; or (C) Non-Hong Kong insolvency cases where the company has no assets/business in Hong Kong.	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**Total hours**
(I)	**Compulsory Liquidation**											
1												0
2												0
						Sub-total for (I)	**0**	**0**	**0**	**0**	**0**	**0**
(II)	**Creditors' Voluntary Liquidation**											
1												0
2												0
						Sub-total for (II)	**0**	**0**	**0**	**0**	**0**	**0**
(III)	**Appointment of Special Managers**											
1												0
2												0
						Sub-total for (III)	**0**	**0**	**0**	**0**	**0**	**0**
(IV)	**Court Appointed Receivers**											
1												0
2												0
						Sub-total for (IV)	**0**	**0**	**0**	**0**	**0**	**0**

							Chargeable hours [Note 2]					
							Year 1	Year 2	Year 3	Year 4	Year 5	
	Case Name [Note 3]	**Winding-up No./ Court Case No.** (if any)	**Position held (Manager or above)** (Please also indicate so if you were appointed as appointment taker (singly or jointly).)	**Performed** (from MM/YY to MM/YY)	**Summary/ Non-summary**	**Brief description of tasks performed** Please indicate the cases belong to: - (A) Hong Kong insolvency cases (excluding MVL and bankruptcies); or (B) Non-Hong Kong insolvency cases where the company has assets/business in Hong Kong; or (C) Non-Hong Kong insolvency cases where the company has no assets/business in Hong Kong.	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**MM/YY to MM/YY**	**Total hours**
(V)	**Receivers and Managers under Debentures**											
1												0
2												0
						Sub-total for (V)	**0**	**0**	**0**	**0**	**0**	**0**
(VI)	**Other Insolvency Works** [Note 5]											
1												0
2												0
						Sub-total for (VI)	**0**	**0**	**0**	**0**	**0**	**0**
						Total (I + II + III + IV + V + VI)	**0**	**0**	**0**	**0**	**0**	**0**
				(A) Hong Kong insolvency								0
				(B) Non-Hong Kong insolvency cases where the company has assets/business in Hong Kong								0
				(C) Non-Hong Kong insolvency cases where the company has no assets/business in Hong Kong								0
				Total (A+B+C) (equal to Total (I + II + III + IV + V + VI))			**0**	**0**	**0**	**0**	**0**	**0**

(VII)	**Please disclose any of the matters relating to you under paragraph 7(i) to 7(vi) of the Panel A Rules.**
1.	
2.	

I confirm that the information provided above is true and correct and I am willing, if requested by the Official Receiver ("OR"), to provide further details to support the above information. I understand that if any of the above information is found to be false in any material particular, the Admission Committee has a right to immediately remove me from the Panel A.

Signed by Applicant:

Applicant's Name:

HKICPA Membership Number :

Date:

IMPORTANT NOTE

In completing this application form, please read the Personal Information Collection Statement below:

Personal Information Collection Statement

In accordance with the Data Protection Principles of the Personal Data (Privacy) Ordinance (Cap. 486), please note the following:

1. Personal data provided in this form will be used for application for admission under the Panel A Scheme. If insufficient or inaccurate information is provided, the application may not be considered.
2. Personal data provided in this form may be disclosed to the parties responsible for assessing applications.
3. Applicants have the right of access and correction with respect to their own personal data. Enquiries concerning the personal data collected, including the making of requests for access and corrections, should be addressed to Personal Data Privacy Officer of the Official Receiver's Office, 10th Floor, High Block, Queensway Government Offices, 66 Queensway, Hong Kong.

Annex C

Standard Rates of Fees Approved by the Official Receiver
(with effect from 1.2.2024)

Rank	Hourly Rate ($)				
	effective from 1.2.2024	effective from 1.2.2025	effective from 1.2.2026	effective from 1.2.2027	effective from 1.2.2028
Partner/Principal	6,411	6,711	7,025	7,354	7,698
(Senior) Manager 3	5,216	5,460	5,716	5,984	6,264
Manager 2	4,028	4,217	4,414	4,621	4,837
Manager 1	3,082	3,226	3,377	3,535	3,701
Senior Staff 2	2,361	2,471	2,587	2,708	2,835
Senior Staff 1	1,670	1,748	1,830	1,915	2,005
Trainee 2	1,172	1,227	1,285	1,345	1,408
Trainee 1	946	990	1,036	1,085	1,136
Clerical	592	620	649	679	711

Standard Rates of Fees Approved by the Official Receiver
(from 13.5.1996 to 31.1.2024)

Rank	Hourly Rate ($)		
	effective from 13.5.1996 (i.e. date of commencement of the Panel A Scheme)	effective from 1.7.1998	effective from 23.8.2012
Partner/Principal	3,800	4,480	6,124
(Senior) Manager 3	2,800	3,390	4,983
Manager 2	2,150	2,740	3,848
Manager 1	1,600	2,130	2,944
Senior Staff 2	1,400	1,490	2,255
Senior Staff 1	950	1,090	1,595
Trainee 2	750	840	1,120
Trainee 1	450	590	904
Clerical	300	370	566

Annex D

Appeal Panel

1. Constitution

The Appeal Panel ("the Panel") shall consist of the Official Receiver ("OR") (as the Chairperson), two members to be nominated by HKICPA (at least one of whom shall be a member of the HKICPA Council or permanent staff) and two other members who are independent lay persons to be determined by the OR. Any meeting (either face-to-face or virtual) at which the Chairperson and all members present shall be competent to exercise all the functions and powers conferred upon such a panel. The Chairperson may exercise a casting vote at any meeting at which no majority can be obtained.

2. Responsibilities

The Panel shall be responsible for hearing and determining any appeal against the decisions of the Admission Committee of the Administrative Panel of Insolvency Practitioners for Court Winding-up ("Panel A") in accordance with the Panel A Rules including rejection of application for admission, reprimand, suspension or removal of any firm, AT or IP from the Panel A.

3. Powers

The Panel shall have all the powers of the Admission Committee of the Panel A in discharging its responsibility in accordance with the Panel A Rules including consideration of applications for admission, review of complaints and taking of any actions such as reprimands, suspension or removal of any firm, AT or IP from Panel A and may exercise its discretion in any such matter brought before it as an appeal.

4. Appeal Procedure

(a) An applicant aggrieved by any decision of the Admission Committee of the Panel A notified to him may appeal to the Panel within 21 days after the date of issuing the notice of the decision by giving notice to the OR.

(b) A written statement ("Statement") setting out the circumstances in which the appeal is made and the matters or facts relied upon by the Appellant, the submissions of the Appellant, the decision or requests to which the Appellant objects shall be submitted by the Appellant to the Panel together with a statutory declaration verifying the facts set out in the Statement.

(c) The appeal shall be without oral hearing unless the Panel so directs. If the Panel directs that there will be an oral hearing, such direction shall be made in writing and a written notice of such direction shall be served on the Appellant within seven days of the Panel's decision to direct an oral hearing by post. The notice shall set out the date and place of the oral hearing. There shall be at least 21 days between the date of the Panel's decision to direct an oral hearing and the date of the oral hearing.

(d) The appeal shall be determined or heard as soon as practicable but in any event within three months from the date of the lodging of the Statement.

(e) If the appeal is determined without oral hearing, the Panel may determine the appeal on the basis of the documents before it or require further documentation to be produced.

(f) If the appeal is by oral hearing, the Appellant may appear at the hearing in person or by a solicitor, counsel or other representative. The Appellant shall notify the Panel at least 14 days prior to the hearing how he proposes to appear.

(g) The Panel may make such order as it sees fit in respect of the appeal, including any costs of the appeal, and shall give the Appellant a written statement of its reasons for the making of such order.

(h) Any such order shall be signed by the Chairperson of the Panel and shall be filed with the OR and notified to the HKICPA or any other relevant professional or governing bodies to be determined by the OR. The OR and the HKICPA or the other relevant professional or governing body to be determined by the OR shall forthwith on the filing of the order take all steps as may be necessary to give effect to the said order.

(i) The procedure to be adopted in relation to any appeal shall, subject to the foregoing paragraphs, be such as the Panel shall in its absolute discretion determine.

5. Power to Suspend Operation of Decision Pending Appeal

(a) The Panel in its absolute discretion shall have the power to suspend the operation of any decision made by the Admission Committee of the Panel A pending the hearing and determination of any appeal.

(b) Where the operation of a decision of the Admission Committee of the Panel A is suspended pending appeal and that decision is confirmed on appeal, then it shall take effect on the date of the decision of the Panel.

Statutory Investigation into the Affairs of an Insolvent Company Wound-Up by the Court

The liquidator of an insolvent company is under a duty to carry out statutory investigation of the affairs of a company wound-up by the Court.

The purpose of an investigation is to determine the assets and liabilities of the company and to review the conduct, decisions and actions of the directors. If, during the course of the investigation any apparent right of action comes to light, the liquidator should determine, if necessary with the benefit of legal advice, whether or not any particular action can be taken.

The extent and nature of the investigation work will vary from company to company but should include the following -

PROCEDURE

1. Questioning the management

   At the outset of the winding-up, all relevant directors, including directors who held office during the last three years, the company secretary and other senior officials should be questioned as to the company's affairs, including the reasons for failure. The onus is on the liquidator to consider carefully which directors (officers, former directors or shadow directors) are relevant having regard to their accessibility and the information which he believes they may have. The liquidator may also invite creditors to bring his notice to any particular matters which they consider require further investigation.

2. Records

   The records of the company covering the period since the date of the last audited financial statements should be examined to ensure that transactions in the final period of trading were made in the normal course of business.

3. Validity of charges

   Details of all security held by banks and other parties should be obtained and the liquidator should check registration and consider the possible invalidity of any charge. Where liquidation follows receivership, the validity of the receiver's appointment should also be assessed.

4. Comparison of assets with last balance sheet

   For the purposes of discovery of assets, the statement of affairs/supplementary affidavit(s) should be compared with the last audited financial statements. The liquidator should satisfy himself that material movements in fixed and current assets can be properly explained. Where no statement of affairs is provided, the most recent audited financial statements and management accounts should form the starting point for identifying assets owned by the company.

5. Trading losses

Consideration should be given to the preparation of a deficiency account, and possibly also trading, profit and loss accounts, in any case where there is a material difference between the deficiency disclosed in the statement of affairs/supplementary affidavit(s) and the last audited financial statements, after taking into account matters such as writing down asset values.

6. Transactions with persons connected with the company

The books and records of the company should be examined to ensure that any transactions with persons connected with the company were carried out at arm's length and material transactions should be examined in detail. Particular attention should be paid to transactions involving directors, including any reduction in loan accounts and/or reduction in overdrafts supported by personal guarantees. Repayment terms of director loans should be noted and any material acquisitions of assets by or disposals to directors and related parties (including any person connected with the company), or transactions which might constitute the giving of any unfair preference or transaction at an undervalue to that director or related party (including any person connected with the company) should be investigated in detail to determine whether the transactions occurred on commercial terms.

7. Statutory books

The statutory books of the company should be examined, together with the minute book, and compared with a search obtained from the Companies Registry. Particular attention should be given to the identity of directors who held office during the last three years.

8. Conduct of Directors/Offences

(a) If the liquidator's investigation into the affairs of the company should reveal any offence by any past or present officer (or member) of the company, this should be reported to the Official Receiver ("OR"). The liquidator of a company is required to submit either a report or a return (known as a "Form D1" and "Form D2" respectively) to the OR, concerning the conduct of the directors of the company, within six months of appointment. The OR has issued the following memoranda elaborating on the requirements, ORO Circular No. 6/2014 – *Prosecution of Insolvency Offences* (supplemented by ORO Circular No. 5/2017 - *Prosecution of Insolvency Offences – Supplemental to ORO Circular No. 6 of 2014*), ORO Circular No. 6/2017 – *Disqualification of Directors* and ORO Circular No. 2/2020 – *Disqualification of Directors – Revised Arrangement on Submission of Form D1 and Form D2*, and the liquidator should refer to these memoranda, any new memorandum on the same subject as well as amendment or supplement to the existing memoranda that may be issued by the OR from time to time for detailed guidance in completing reports or returns.

(b) In this respect, the liquidator shall give consent to the OR, as and when required to do so by the OR, for the purposes of any investigation of the company and/or its officers or members, to write directly to any organizations for obtaining information or records in relation to such company and/or its officers or members.

GENERAL

9. The liquidator's investigations into the affairs of the company should aim to identify any rights of action which the company or the liquidator may have against third parties, and the liquidator's attention is drawn to, inter alia, the following provisions:

Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Cap. 32)

Sections 47A – 48*	Financial assistance
Section 121*	Failure to keep or preserve any books of accounts
Section 156*	Bankrupt acting as a director
Section 157J*	Criminal penalties for contravention of Section 157H (Prohibition of loans, etc., to directors and other persons)
Section 182	Avoidance of dispositions of property of the company after commencement of winding-up
Section 190(5)#	Failure to comply with requirements under section 190
Sections 212-214	Uncalled capital
Section 265D#	Transactions at an undervalue (as defined in section 265E)
Section 266#	Unfair preferences (as defined in section 266A)
Sections 266/266B#	Fraudulent / unfair preferences
Section 271	Offences by officers of companies in liquidation
Section 272	Falsification of books
Section 273	Frauds by officers of companies which have gone into liquidation
Section 274#	Failure to keep proper records
Section 275	Fraudulent trading
Section 276#	Misfeasance and misapplication etc. of property
Section 277	Prosecution of delinquent officers and members

* repealed but continue to apply by virtue of Schedule 11 to the Companies Ordinance (Cap. 622) or section 23 of the Interpretation and General Clauses Ordinance (Cap. 1) or both

\# for the transitional and savings provisions regarding amendments made by the Companies (Winding-Up and Miscellaneous Provisions) (Amendment) Ordinance 2016, see Schedule 26 to the Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Cap. 32) or section 23 of the Interpretation and General Clauses Ordinance (Cap. 1) or both

Companies Ordinance (Cap. 622)

Sections 205-207, 274-275, 277-282, 286-289	Financial assistance
Sections 373, 374, 377	Failure to keep or preserve accounting records
Section 480	Bankrupt acting as a director

Consideration should also be given to whether any other rights of action are available, for example, in relation to the common law fiduciary duties of directors, breach of constructive trust, etc.

10. The liquidator should obtain the sanction of the Committee of Inspection or the Court in respect of any decision to bring or defend any action or other legal proceedings in the name of and on behalf of the company, which may be appropriate following the outcome of the above investigation work. This sanction is a statutory requirement in a compulsory winding-up, and in all cases, the overriding consideration will be the likelihood of any tangible benefit to the creditors.

11. The liquidator should submit a preliminary report to the Court under section 191 of the Companies (Winding-up and Miscellaneous Provisions) Ordinance (Cap. 32) -

    (a) as to the amount of capital issued, subscribed, and paid up, and the estimated amount of assets and liabilities; and

    (b) if the company has failed, as to the causes of failure; and

    (c) whether in his opinion, further enquiry is desirable as to any matter relating to the promotion, formation or failure of the company, or the conduct of the business thereof.

Official Receiver's Office