SECURITIES AND FUTURES COMMISSION
證券及期貨事務監察委員會

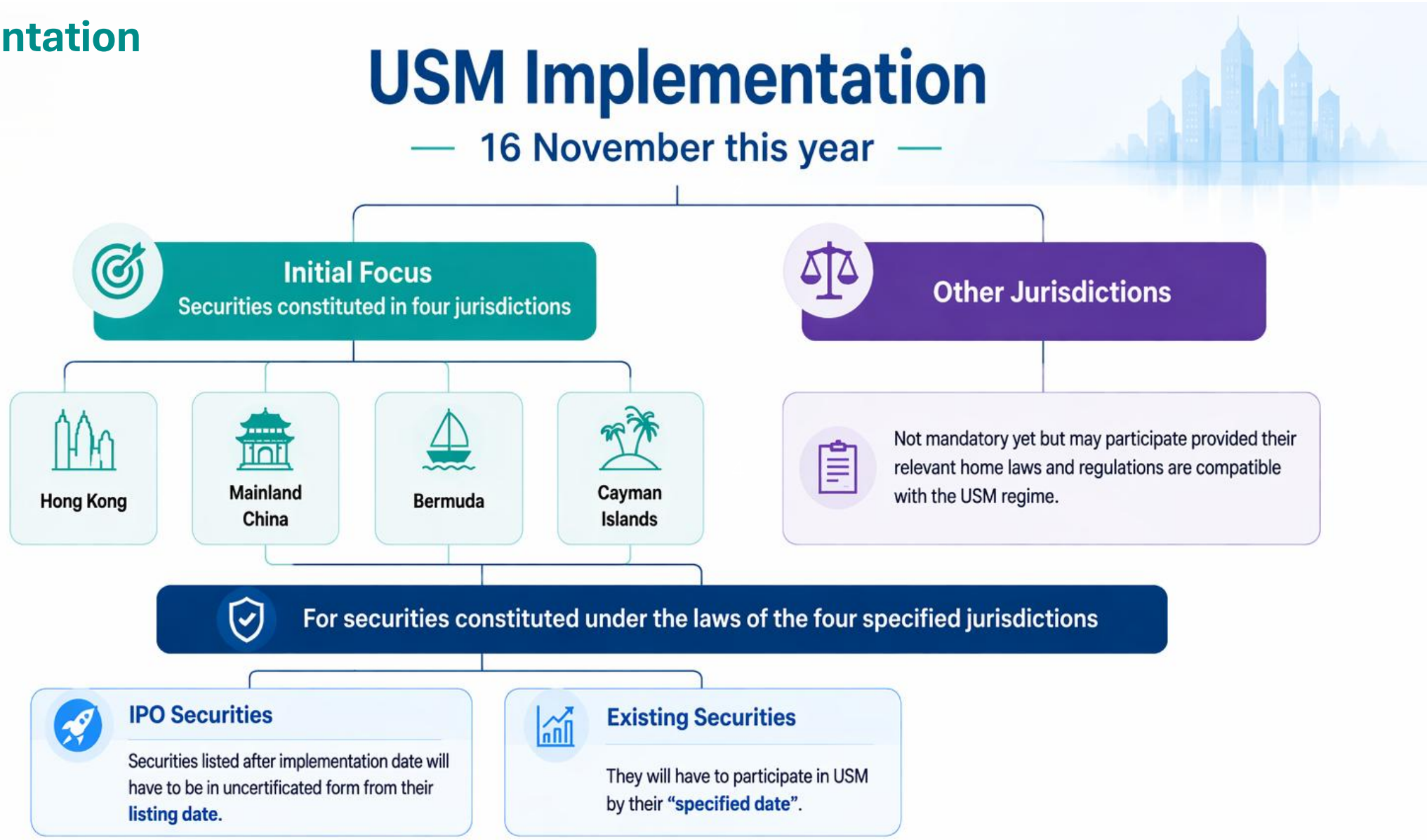
Getting ready for USM implementation

Seminar by The Chamber of Hong Kong Listed Companies and Vistra

28 July 2026

Supervision of Markets Division, SFC

USM implementation timeline



Key concepts in one view

Prescribed securities

Six classes listed or approved for listing on SEHK that may participate in USM: shares, depositary receipts, stapled securities, CIS (withdrawable), subscription warrants, and rights under a rights issue.

Participating securities

Securities that have participated in the USM regime.

ASR & UNSRT system

An approved securities registrar operates a computer-based system enabling title to be evidenced and transferred without an instrument.

System member

A person who has completed procedures for an ASR's UNSRT system and can evidence, transfer and manage securities.

Specified request

A request to register transfer submitted electronically in accordance with USM Rules.

Authenticated message

An electronic message that meets criteria set out in the USM Rules.

Key issuer obligations under USM

1 From USM implementation date

- Must keep a register of members (ROM) as required under the USM Rules
- Must have an ASR at all times that maintains the ROM
- Must notify SFC and SEHK before changing ASR

2 Must become participating securities

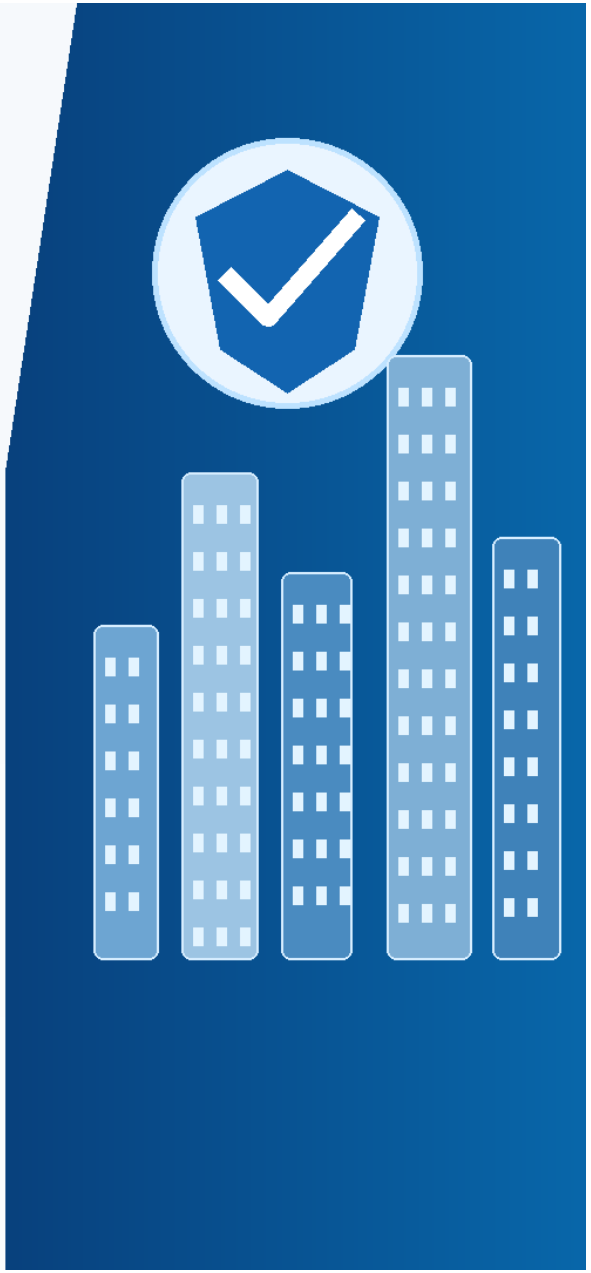
- On listing date / by specified date

3 From participation date onwards

- Must not issue new certificates/title instruments — existing ones remain valid
- Must not issue new units in certificated form
- Must have an ASR approved to provide and operate an UNSRT system
- Must record in ROM if securities are held in uncertificated form
- Must not close ROM for more than 2 BD at a time unless trading suspended
- Must send notification of ROM changes to holder if concerns uncertificated holdings

4 Additional Expectations

- Require use of specified request whenever transferor holds in uncertificated form
- Take initiative to dematerialize whenever possible
- Facilitate / encourage electronic communications and authenticated messages



Key preparatory steps for issuers

1. **Appoint an ASR**
2. **Review and amend terms of issue**
3. **Obtain written ASR confirmation**
4. **Plan and adjust upcoming corporate actions**
5. **Announcements & disclosures**
6. **Other operational matters**

Important timelines:

- terms of issue must be reviewed and amended within one year from USM implementation date (or 1st AGM post-USM)
- ASR readiness confirmation must be obtained before participation date.

Key points to note when reviewing and amending the terms of issue

1 REMOVE CONFLICTS AND INCONSISTENCIES

- Terms must be consistent and compatible with the USM regime.

2 AVOID STAYING SILENT ON KEY ASPECTS

- Expressly provide for these to avoid doubt/ambiguity and dispute.

3 DEADLINE FOR AMENDING

- Must amend within one year of USM launch / 1st AGM after launch.
- Only applies to **4 key jurisdictions.**

4 AMEND BEFORE PARTICIPATION

- Override provision (ss. 101AAD and 101AAE).
- Non-HK securities – unlikely to be able to rely.
- HK securities – **better not to rely; but if rely, amend ASAP afterwards.**

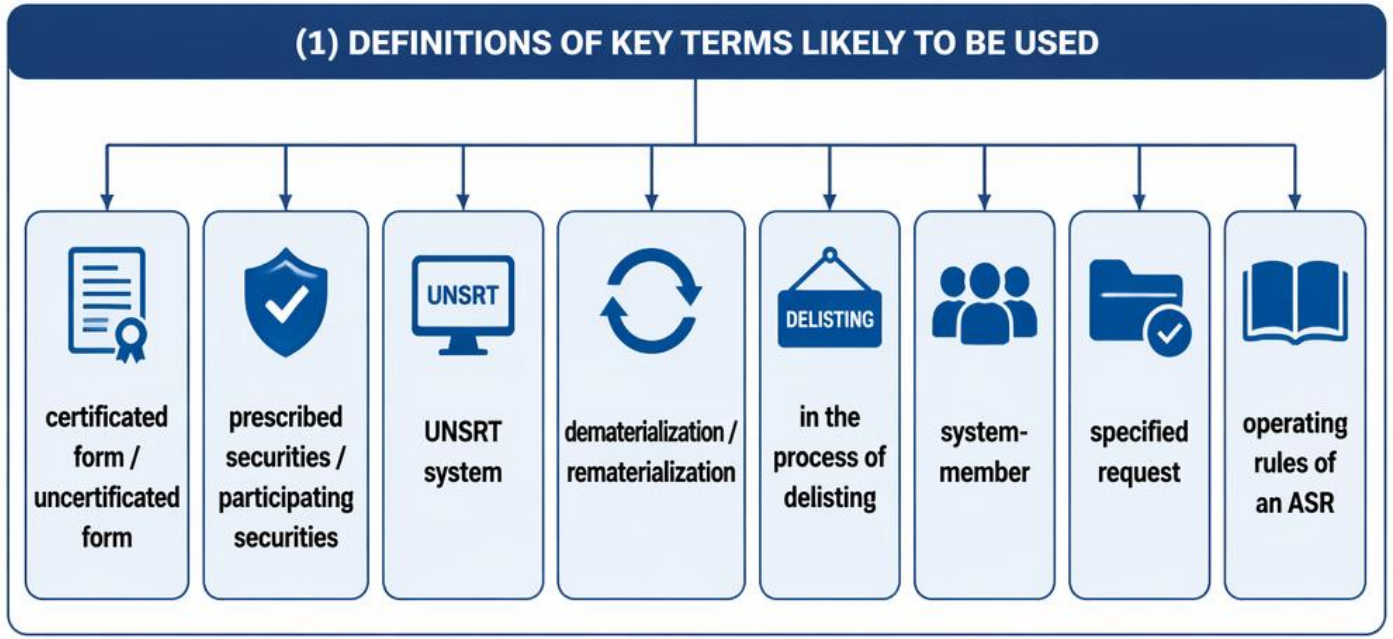
5 SFC'S GUIDANCE NOTE

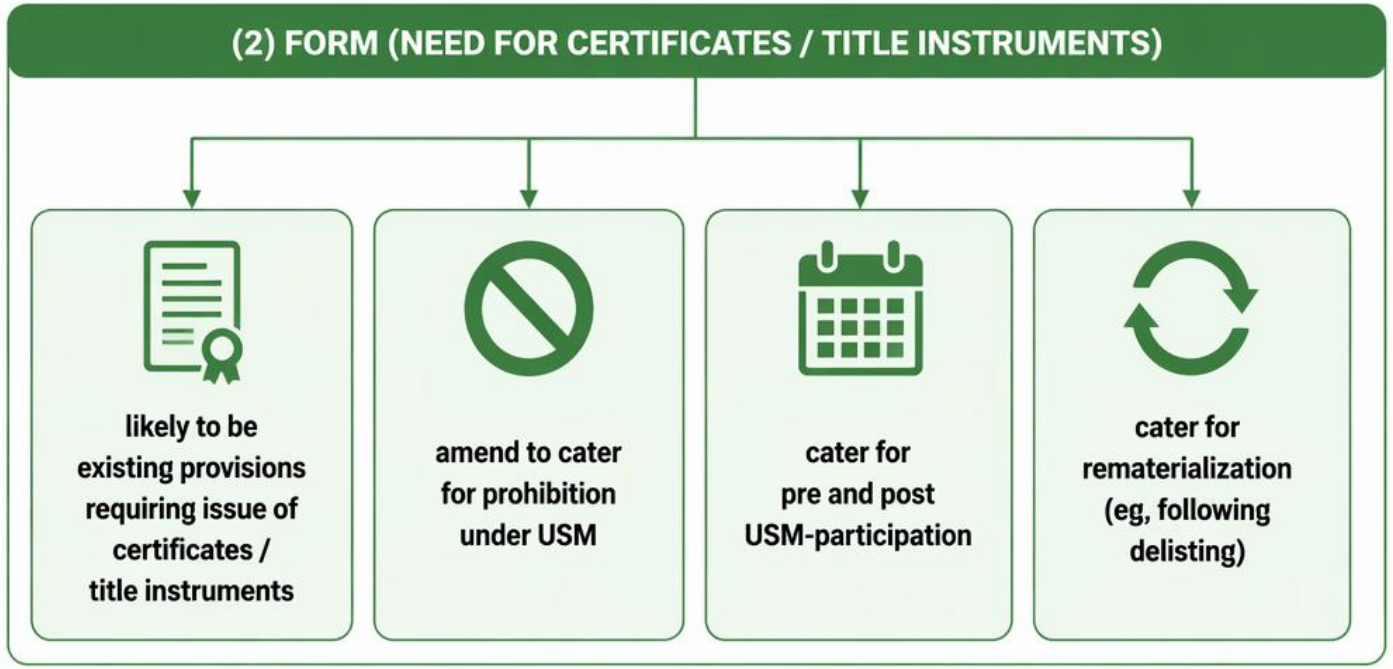
- Includes sample provisions for reference.
- Cast by reference to shares and model articles under HK Companies Ordinance.
- **Strongly advised to seek independent legal advice.**

6 NON-FOUR KEY JURISDICTIONS

- Legal opinion needed for voluntary participation.
- Refer to SFC's Guidance Note for scope.

Key areas to consider when reviewing terms of issue – by reference to articles





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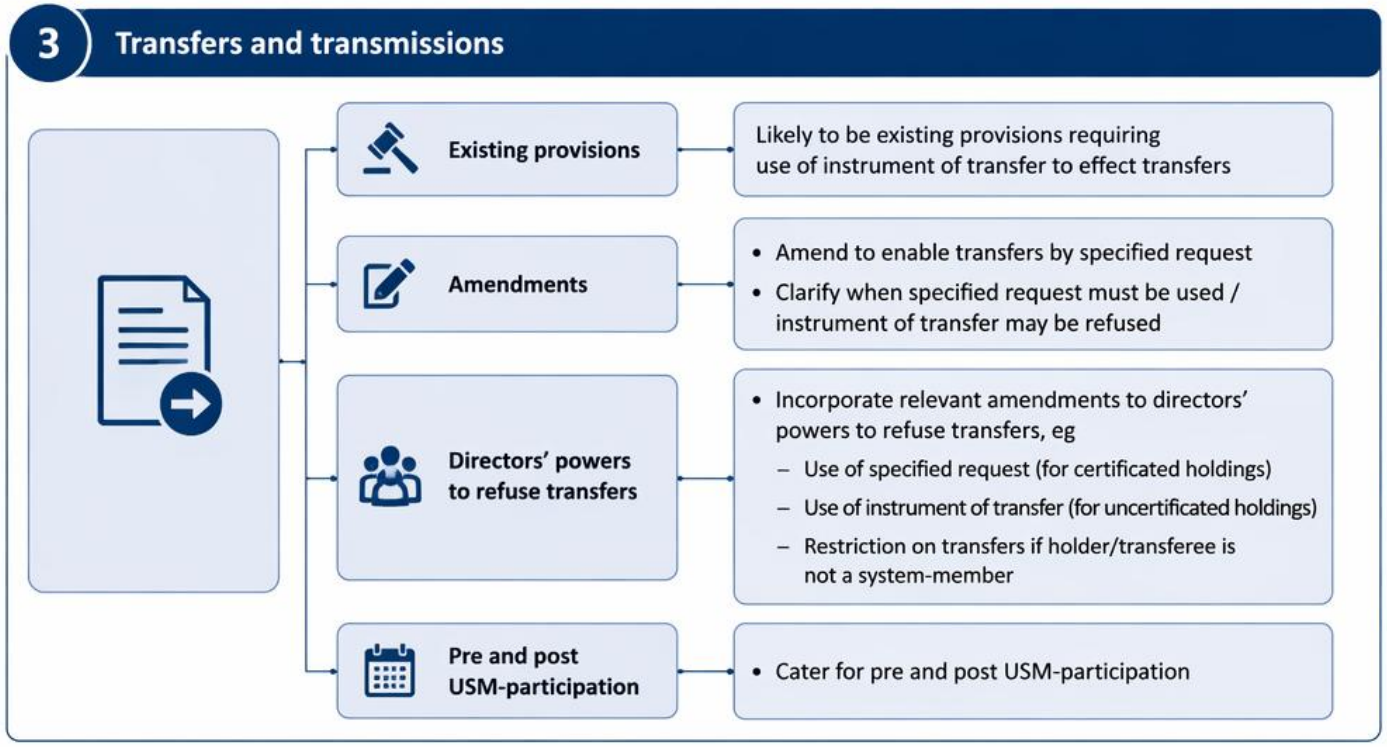

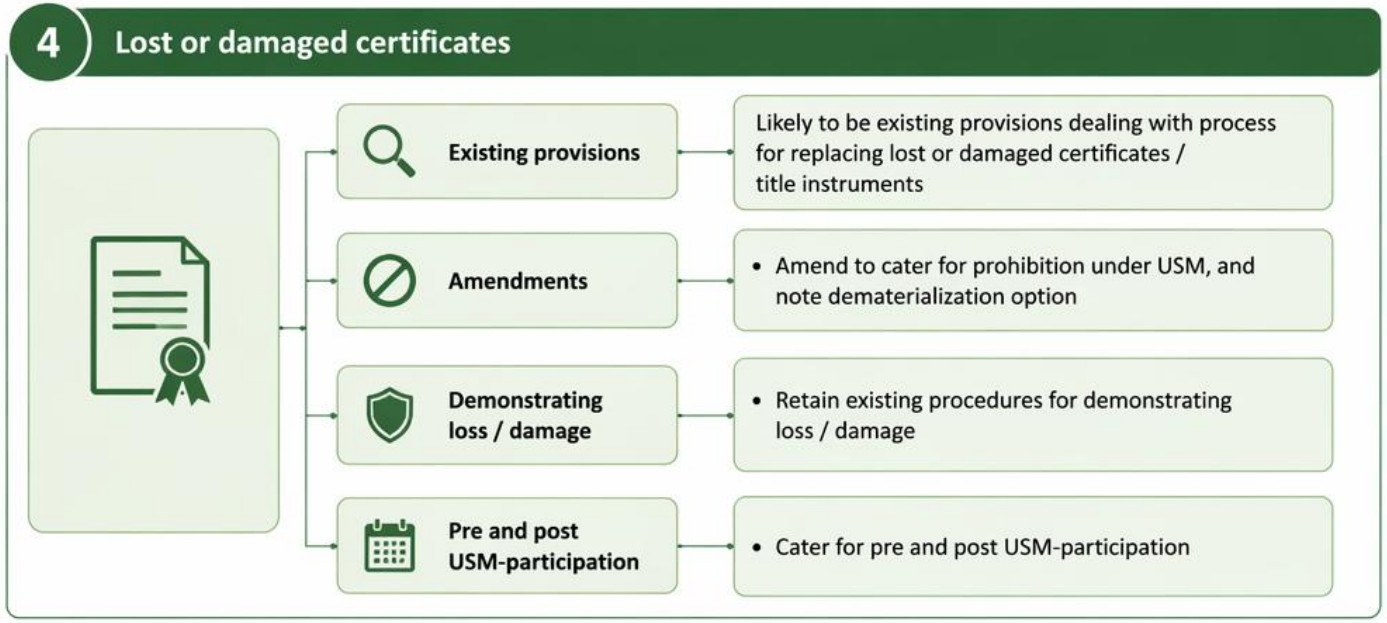

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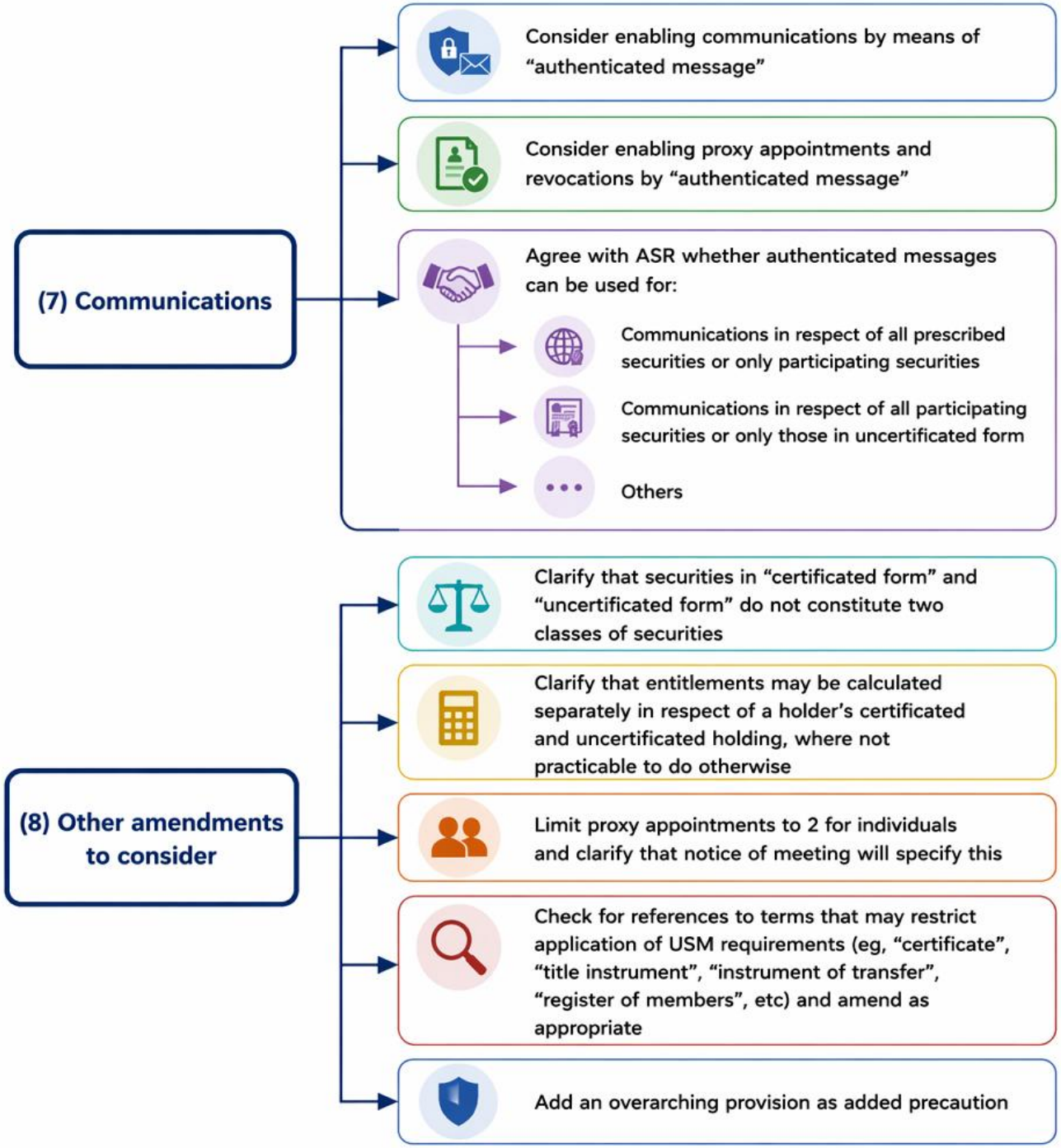

Closing: key takeaways for issuers

1 Key timeline

IPO securities listed after **16 Nov 2026** must be in uncertificated form

Existing securities must participate on their respective specified/ participation date

2 Key preparatory steps

Review and amend terms of issue
– note one year timeline

Appoint ASR with relevant approval status
– note difference before / after participation

3 Where to seek further assistance / guidance

Reach out to your existing share registrar **ASAP**

Check out the SFC's **Guidance Note** and the SEHK's **USM Guide**

Visit the SFC's dedicated **webpage on USM** for more information

Thank you

For more information, please visit SFC's webpage on USM