

Cross-media Ownership Restrictions

Proposal: To narrow the scope of Disqualified Persons (DP) under the Ordinances

Current Scope	Proposal
Free TV licensee	✓ Retain
Pay TV licensee	
Sound broadcasting licensee	
Advertising agency	✗ Remove
Non-domestic TV licensee	
Other licensable TV licensee	
Proprietor of local newspaper	
A person transmitting sound or TV material in the course of business (sound broadcasting)	
Programme supplier (sound broadcasting)	

Cross-media Ownership Restrictions

Proposal: To narrow the DP scope of “relative” under definition of “associates”

Current Scope		Proposal
<u>Immediate family members</u>		✓ Retain
Spouse	Child, adopted child and stepchild	
Parent	Sibling	
<u>Indirect kinship</u>		
Aunt and uncle	Sister/brother-in-law	✗ Remove
Cousin	Mother/father-in-law	
Grandmother, grandfather	Niece and nephew	
Daughter/son-in-law		

Foreign Control Restrictions

Proposal: To retain all foreign control restrictions



Residency requirement on a licensee



Residency requirement on a licensee's directors and principal officers



Residency requirement on quorum at directors' meetings



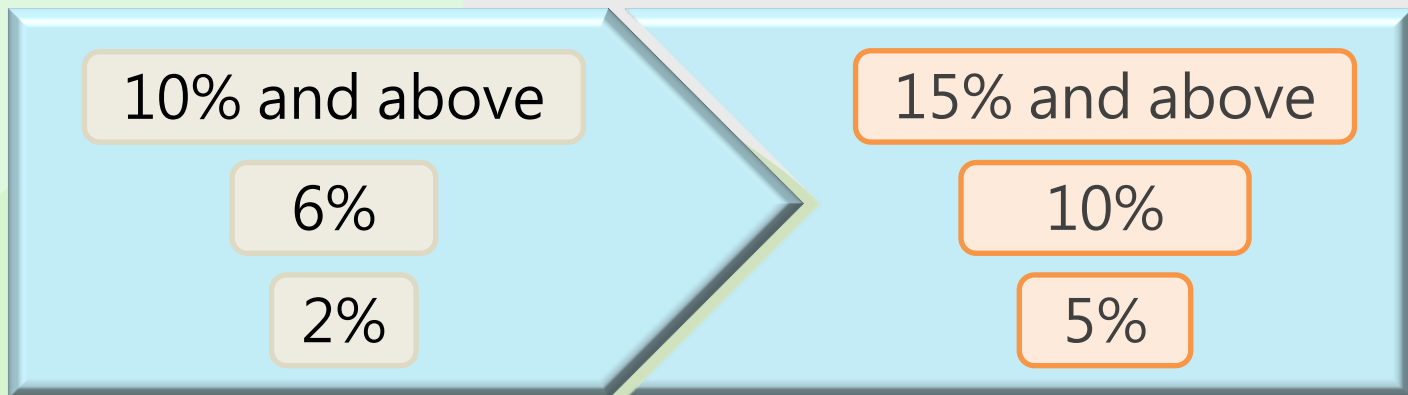
Cap on aggregate voting shares



Attenuation of voting control at general meetings exercised by non-HK resident shareholders to 49%

Foreign Control Restrictions

Proposal: To refine only the threshold percentages of shareholding in free TV by non-HK resident shareholder requiring Communications Authority (CA)'s prior approval



Non-subsidiary Company Requirement

- **Proposal:** To remove the prohibitions on the grant of a free TV/ sound broadcasting licence to a company which is a subsidiary of a corporation.

Licensing Authority

- Proposal: To maintain the status quo

