

U.S. Bill Threatens to Delist China-Based Companies

December 7, 2020 | Client Update

On December 2, 2020, the U.S. House of Representatives passed by unanimous consent the *Holding Foreign Companies Accountable Act*, which would require the United States Securities and Exchange Commission to delist non-U.S. companies, including those with business operations in China, if the Public Company Accounting Oversight Board is not permitted to inspect a company's accounting firm for three consecutive years. While primarily aimed at China-based companies, the bill would apply to any other non-U.S. companies located in jurisdictions where the PCAOB is not permitted access.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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