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Secretary for Financial Services  
Financial Services Bureau  
(Attn: Miss Vivian LAU  
PAS (Securities)(SD))  
18/F, Admiralty Centre  
Tower 1, 18 Harcourt Road  
Hong Kong

By Fax (2294 0460) and By Post

12 February 2001

Dear Miss LAU

### **Securities and Futures Bill**

At the meeting of the Bills Committee held on 9 February 2001, Hon Audrey EU, SC, JP made the observation that contrary to the Administration's statement made to the Bills Committee that the Divisions in Part III of the Bill relating to respective recognized entities are mirror images of one another, there are differences in the substantive provisions, e.g. the existence of offence and penal provisions, the description of duties and the rule making powers. We are instructed to request an explanation from the Administration.

To facilitate your consideration of the matter, we attach hereto a comparison table of the provisions of the Divisions of Part III identifying some of the differences which, we believe, may have led to the Member's remark. We would be grateful if the Administration could address the matter at the coming meeting.

Yours sincerely

(KAU Kin-wah)  
Assistant Legal Adviser

Encl.

c.c. Hon Audrey EU, SC, JP