

立法會
Legislative Council

LC Paper No. CB(1) 248/01-02
(These minutes have been seen
by the Administration)

Ref : CB1/BC/12/00/2

**Bills Committee on
Companies (Corporate Rescue) Bill**

**Minutes of third meeting held on
Monday, 22 October 2001 at 4:30 pm
in Conference Room A of the Legislative Council Building**

Members present : Hon Margaret NG (Chairman)
Hon Kenneth TING Woo-shou, JP
Hon Albert HO Chun-yan
Hon CHAN Kwok-keung
Hon CHAN Yuen-han, JP
Hon SIN Chung-kai
Hon CHOY So-yuk
Hon LI Fung-ying, JP
Hon Audrey EU Yuet-mee, SC, JP

Members absent : Hon Eric LI Ka-cheung, JP
Hon Jasper TSANG Yok-sing, JP

Public officers attending : Miss Susie HO
Deputy Secretary for Financial Services

Mr Eamonn O'CONNELL
Official Receiver

Mr Geoffrey FOX
Senior Assistant Law Draftsman

Mr Esmond LEE
Principal Assistant Secretary for Financial Services

Mr Edward LAU
Assistant Official Receiver (Legal Services)

Mr Jeremy GLEN
Assistant Principal Solicitor, Official Receiver's Office

Miss Leonora IP
Government Counsel

Attendance by invitation : Consumer Council

Mrs CHAN WONG Shui
Chief Executive

Mr CHAN Wing-kai
Head, Complaints and Advice Division

PricewaterhouseCoopers

Mr David HAGUE
Partner

Miss Rebecca HALPIN
Senior Manager

CCIF Corporate Advisory Services Ltd

Mr Jim WARDELL
Managing Director

The Hong Kong Association of Banks

Mr Peter TS WONG
Chairman

Mr Jake WILLIAMS
Group Head, Group Special Assets Management
Standard Chartered Bank

Mr Rob MORRIS
Senior Manager Credit Risk Management, HSBC

Mr John MARSDEN

Legal Adviser

Hong Kong Society of Accountants

Mr Alan C W TANG
Member of Expert Panel on Insolvency

Mr Stephen BRISCOE
Member of Expert Panel on Insolvency

Mr Peter TISMAN
Deputy Director (Business and Practice)

Clerk in attendance : Miss Salumi CHAN
Chief Assistant Secretary (1)5

Staff in attendance : Mr KAU Kin-wah
Assistant Legal Adviser 6

Ms Rosalind MA
Senior Assistant Secretary (1)3

I. Confirmation of minutes of meeting
(LC Paper No. CB(1) 72/01-02)

The minutes of the second Bills Committee meeting held on 27 September 2001 were confirmed.

II. Meeting with deputations and the Administration
(LC Paper Nos. CB(1)2027/00-01(06), (08), (10), (13) and (15), CB(1)82/01-02(01) to (04))

2. The Bills Committee deliberated (Index of proceedings attached at **Appendix**).
3. Referring to the information paper entitled "*Corporate Rescue - Comparison with other jurisdictions*" (LC Paper No. CB(1)82/01-02(02)) provided by the Administration, it appeared to the Bills Committee that the proposed corporate rescue procedure in Hong Kong offered the best protection to employees as it required full provision for all employees' entitlements. To facilitate the Bills Committee's consideration, the Administration was requested to provide a comprehensive analysis

of the provisions and schemes for employees protection, as well as the taxation systems, in Hong Kong and other jurisdictions. The five deputations attending the meeting were requested to provide written submissions regarding the trust account arrangement for payment of outstanding arrears in wages and other statutory entitlements owed by a company to its employees.

(Post-meeting note: Letters were sent to the five deputations on 23 October 2001.)

4. The Bills Committee agreed that the next meeting be held on Wednesday, 14 November 2001 at 8:30 am.
5. There being no other business, the meeting ended at 6:30 pm.

Legislative Council Secretariat
1 November 2001

Appendix

Proceedings of the Third meeting of the Bills Committee on Companies (Corporate Rescue) Bill on Monday, 22 October 2001 at 4:30 pm in Conference Room A of the Legislative Council Building

Time	Speaker	Subject(s)	Action required
<i>Agenda Item I — Confirmation of minutes of meeting</i>			
00001-00512	Chairman	Confirmation of minutes of meeting held on 27 September 2001 and opening remarks	
<i>Agenda Item II — Meeting with deputations and the Administration</i>			
00513-00650	Consumer Council (CC)	Presentation by Mrs CHAN WONG Shui	
00651-01356	PricewaterhouseCoopers (PWC)	Presentation by Mr David HAGUE	
01357-01953	CCIF Corporate Advisory Services Ltd (CCIF)	Presentation by Mr Jim WARDELL	
01954-02820	The Hong Kong Association of Banks (HKAB)	Presentation by Mr Peter WONG	
02821-03755	Hong Kong Society of Accountants (HKSA)	Presentation by Mr Alan TANG and Mr Stephen BRISCOE	
03756-03820	Chairman	Inviting administration to give response to deputations	
03821-04945	Administration	Administration's response to deputations	
04946-05103	Administration	-ditto-	
05104-05123	Chairman	Inviting members' views and questions	
05124-05135	Ms Audrey EU	Arrangements for payment of outstanding arrears in wages and other statutory entitlements owed by a company to its employees	
05136-05141	Chairman	-ditto-	
05142-05327	HKSA	-ditto-	
05328-05423	CCIF	-ditto-	
05424-05623	HKSA	-ditto-	
05624-05633	CCIF	-ditto-	

Time	Speaker	Subject(s)	Action required
05634-05744	Ms Audrey EU	-ditto-	
05745-10032	Chairman	-ditto-	
10033-10150	HKAB	-ditto-	
10151-10324	Chairman	-ditto-	
10325-10425	CCIF	-ditto-	
10426-10440	Chairman	-ditto-	
10441-10632	Administration	-ditto-	
10633-10647	Chairman	-ditto-	
10648-10858	Mr Albert HO	Balancing the interests and rights of creditors, shareholders and employees in corporate rescue procedures	
10859-10955	HKAB	-ditto-	
11010-11030	Mr Albert HO	-ditto-	
11031-11136	HKAB	-ditto-	
11137-11230	CCIF	-ditto-	
11231-11304	PWC	-ditto-	
11305-11322	Chairman	-ditto-	
11323-11419	HKSA	-ditto-	
11420-11433	Chairman	Arrangements for payment of outstanding arrears in wages and other statutory entitlements owed by a company to its employees	
11434-11450	Administration	-ditto-	
11451-11454	Chairman	-ditto-	
11455-11506	Mr Albert HO	-ditto-	
11507-11610	Chairman	-ditto-	
11611-11628	Miss CHAN Yuen-han	-ditto-	
11629-11702	Administration	-ditto-	
11703-11741	Administration	-ditto-	
11742-11812	Miss CHAN Yuen-han	-ditto-	
11813-11835	Chairman	-ditto-	
11836-12128	Administration	-ditto-	
12129-12140	Chairman	-ditto-	
12141-12227	Administration	-ditto-	
12228-12243	Miss CHAN Yuen-han	-ditto-	
12244-12247	Administration	-ditto-	
12248-12420	Miss CHAN Yuen-han	-ditto-	
12421-12517	CCIF	-ditto-	
12518-12643	HKSA	-ditto-	
12644-12658	Chairman	-ditto-	

Time	Speaker	Subject(s)	Action required
12659-12956	Miss CHAN Yuen-han	-ditto-	
12957-13010	Chairman	-ditto-	
13011-13450	Ms LI Fung-ying	-ditto-	
13451-13619	Chairman	Practicability of the proposed corporate rescue procedures	
13620-13624	Administration	-ditto-	
13625-13745	HKAB	-ditto-	
13746-13812	Chairman	-ditto-	
13813-13832	HKAB	-ditto-	
13833-13900	Chairman	-ditto-	
13901-14005	CCIF	-ditto-	
14006-14034	PWC	-ditto-	
14035-14104	Administration	-ditto-	
14105-14218	Mr Albert HO	Balancing the interests and rights of creditors, shareholders and employees in corporate rescue procedures	
14219-14424	Chairman	-ditto-	
14425-14307	Administration	-ditto-	
14308-14421	HKAB	-ditto-	
14422-14448	Mr Albert HO	-ditto-	
14449-14501	CCIF	-ditto-	
14502-14533	Chairman	-ditto-	
14534-14609	PWC	-ditto-	
14610-14630	Administration	-ditto-	
14631-14715	Ms Audrey EU	Comparison of arrangements for payment of employees' entitlements with other jurisdictions	
14716-14759	Administration	-ditto-	
14800-14910	Ms Audrey EU	-ditto-	
14911-14918	Administration	-ditto-	
14919-14950	HKAB	-ditto-	
14951-15002	Administration	-ditto-	Admin
15003-15321	Chairman	Arrangements for payment of outstanding arrears in wages and other statutory entitlements owed by a company to its employees	
15322-15409	Ms Audrey EU	Proposals on insolvent trading and responsible person	
15410-15654	CCIF	-ditto-	
15655-15718	Ms Audrey EU	-ditto-	

Time	Speaker	Subject(s)	Action required
15719-15721	Chairman	-ditto-	
15722-15806	Administration	-ditto-	
15807-15912	CCIF	-ditto-	
15913-20238	Chairman	Concluding remarks and date of next meeting	

Note: The audio records of the above proceedings are kept at the Legislative Council Library

Legislative Council Secretariat
1 November 2001