

立法會
Legislative Council

LC Paper No. CB(1) 1323/02-03
(These minutes have been seen
by the Administration)

Ref: CB1/BC/6/01/2

Bills Committee on Companies (Amendment) Bill 2002

**Minutes of the fifteenth meeting
held on Thursday, 20 March 2003, at 8:30 am
in Conference Room A of the Legislative Council Building**

- Members present** : Hon Audrey EU Yuet-mee, SC, JP (Chairman)
Dr Hon David CHU Yu-lin, JP
Hon Eric LI Ka-cheung, JP
Hon NG Leung-sing, JP
Hon CHAN Kwok-keung
Hon SIN Chung-kai
Hon Miriam LAU Kin-ye, JP
Hon Emily LAU Wai-hing, JP
- Members absent** : Hon Albert HO Chun-yan
Hon CHAN Kam-lam, JP
Hon Henry WU King-cheong, BBS, JP
- Public officers attending** : Financial Services and the Treasury Bureau

Mr Esmond LEE
Principal Assistant Secretary for Financial Services and
the Treasury (Financial Services)⁴

Mr Arthur AU
Assistant Secretary for Financial Services and the
Treasury (Financial Services) (4)¹

Companies Registry

Mr G W E JONES
Registrar of Companies

Mr Edward LAU
Secretary
Standing Committee on Company Law Reform

Ms D SILKSTONE
Registry Solicitor

Department of Justice

Mr J E GUNTER
Senior Assistant Law Draftsman

Mr Vidy CHEUNG
Senior Government Counsel

Clerk in attendance : Miss Becky YU
Chief Assistant Secretary (1)1

Staff in attendance : Miss Monna LAI
Assistant Legal Adviser 7

Mrs Mary TANG
Senior Assistant Secretary (1)2

I Meeting with the Administration

(LC Paper No. CB(1) 1162/02-03(01) -- List of follow-up actions arising from the discussion on 12 March 2003

LC Paper No. CB(1) 1162/02-03(02) -- Administration's responses to the lists of follow-up actions arising from the discussion on 27 February and 12 March 2003

LC Paper No. CB(1) 1162/02-03(03) -- Reply from the Law Society of Hong Kong dated 12 March 2003 to LC Paper No. CB(1) 1092/02-03(04) on the interpretation of proposed sections 157I(2) and 157I(3)(b) of the Bill

LC Paper No. CB(1) 1174/02-03(01) -- Second batch of draft Committee Stage amendments)

The Committee deliberated (Index of proceedings attached at **Annex A**).

2. The Administration was requested to -
 - (a) provide the chronology of discussion on existing section 157I before the enactment of the Companies Ordinance (Cap. 32) in 1984;
 - (b) include in the speech to be delivered by the Secretary for Financial Services and the Treasury at the resumption of Second Reading debate on the Bill the Administration's stance on section 157I after taking into account members' views and an undertaking that the drafting of section 157I would be looked at by the Administration in simplifying the drafting of the provisions regarding financial assistance, in consultation with the Standing Committee on Company Law Reform;
 - (c) provide a copy of the revised draft Form M2 - Memorandum of Satisfaction or Release of Property from Charge;
 - (d) advise the extent of problems arising from the failure of companies to give the Registrar of Companies notice of change of company name, the current practice which the Registrar adopted in dealing with these cases and the level of penalty. To also provide the number of prosecutions against defaulting companies and the fine incurred as a result; and
 - (e) consider deleting the requirement for companies to submit printed copy of every resolution or agreement under section 117.

3. There being no other business, the meeting ended at 10:30 am.

**Proceedings of the meeting of the
Bills Committee on Companies (Amendment) Bill 2002
Meeting on Thursday, 20 March 2003, at 8:30 am
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000001 - 000236	Chairman	Letter from Law Society of Hong Kong (LC Paper No CB(1) 1162/02-03(03)) on the interpretation of 157I(2) and (3)(b)	
000237 - 000632	Administration Chairman ALA7	Administration's response (LC Paper No. CB(1) 1162/02-03(02)) to the list of follow-up actions arising from the discussion on 12 March and 27 February 2003 - Drafting and interpretation of section 157I	
000633 - 001144	Chairman	Protection of interest of a bona fide innocent third party	
001145 - 002702	Administration Chairman Ms Emily LAU	Re-drafting of new section 157I	The Administration to provide the chronology of discussion on existing section 157I before the enactment of the Companies Ordinance (Cap. 32) in 1984

Time marker	Speaker	Subject(s)	Action required
002703 - 004612	Chairman Ms Miriam LAU Administration Ms Emily LAU Mr SIN Chung-kai	Drafting and interpretation of 157I	The Administration to include in the speech to be delivered by the Secretary for Financial Services and the Treasury at the resumption of Second Reading debate on the Bill the Administration's stance on section 157I after taking into account members' views and an undertaking that the drafting of section 157I would be looked at by the Administration in simplifying the drafting of the provisions regarding financial assistance, in consultation with the Standing Committee on Company Law Reform
004613 - 004638	Chairman Administration	Form M2 - Memorandum of Satisfaction or Release of Property from Charge	The Administration to provide a copy of the revised draft Form M2 - Memorandum of Satisfaction or Release of Property from Charge
004639 - 004840	Chairman Administration	Appointment of a person to act in place of the sole director (who was also the sole member) of a company	
004841 - 005921	Chairman ALA7 Administration Ms Miriam LAU	Second batch of draft Committee Stage amendments (CSAs) (LC Paper No. CB(1) 1174/02-03(01)) - Clause 33 - New section 85 on entries of satisfaction and release of property from charge	

Time marker	Speaker	Subject(s)	Action required
005922 - 010122	Chairman Clerk	List of outstanding actions to be taken by the Administration	
010123 - 010216	Administration Chairman Mr Eric LI	Need for summary of major discussions on the Bill	
010417 - 011457	Chairman Administration Ms Miriam LAU ALA7	Clause-by-clause examination of the Bill Clause 2 - Interpretation	
011458 - 012618	Chairman Administration Ms Miriam LAU Mr SIN Chung-kai	Clause 3 - Repeal of section 2A(3)	
012619 - 012706	Chairman Administration	Clause 4 - Mode of forming incorporated company	
012707 - 012757	Chairman Administration	Clause 5 - Mode in which and extent to which objects may be altered	
012758 - 012910	Chairman Administration	Clause 6 - Conclusiveness of certificate of incorporation	
012911 - 015315	Chairman Administration ALA7 Ms Miriam LAU Ms Emily LAU Mr Eric LI	Clause 7 - Change of name	The Administration to advise the extent of problems arising from the failure of companies to give the Registrar of Companies notice of change of company name, the current practice which the Registrar adopted in dealing with these cases and the level of penalty. To also provide the number of prosecutions against defaulting companies and the fine incurred as a result

Time marker	Speaker	Subject(s)	Action required
015316 - 015623	Chairman Administration Mr Eric LI Mr SIN Chung-kai	Mechanism to ensure compliance with requirements under Companies Ordinance	
015624 - 015924	Ms Miriam LAU Administration Chairman	Dispensing with the requirement for companies to submit printed copy of every resolution or agreement under section 117	The Administration to consider deleting the requirement for companies to submit printed copy of every resolution or agreement under section 117
015925 - 015939	Chairman	Next meeting on 3 April 2003 to continue with clause-by-clause examination from clause 8 onwards	

Council Business Division 1
Legislative Council Secretariat
1 April 2003