

**立法會**  
**Legislative Council**

LC Paper No. CB(1) 2129/02-03  
(These minutes have been seen  
by the Administration)

Ref: CB1/BC/6/01/2

**Bills Committee on Companies (Amendment) Bill 2002**

**Minutes of the twenty-second meeting  
held on Friday, 6 June 2003, at 10:45 am  
in the Chamber of the Legislative Council Building**

- Members present** : Dr Hon David CHU Yu-lin, JP  
Hon Albert HO Chun-yan  
Hon Eric LI Ka-cheung, JP  
Hon NG Leung-sing, JP  
Hon CHAN Kwok-keung  
Hon CHAN Kam-lam, JP  
Hon Emily LAU Wai-hing, JP  
Hon Henry WU King-cheong, BBS, JP
- Members absent** : Hon Audrey EU Yuet-mee, SC, JP (Chairman)  
Hon SIN Chung-kai  
Hon Miriam LAU Kin-yee, JP
- Public officers attending** : Financial Services and the Treasury Bureau  
  
Mr Esmond LEE  
Principal Assistant Secretary for Financial Services and  
the Treasury (Financial Services)<sup>4</sup>  
  
Mr Arthur AU  
Assistant Secretary for Financial Services and the  
Treasury (Financial Services) (4)<sup>1</sup>
- Companies Registry
- 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

Miss Mandy POON  
Legislative Assistant 4

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As agreed at the meeting on 30 May 2003, Mr Albert HO chaired the meeting in the absence of Ms Audrey EU, Chairman, who had indicated that she would not be able to attend the meeting.

**I. Meeting with the Administration**

(LC Paper No. CB(1) 1875/02-03(01) -- List of follow-up actions arising from the discussion on 3 June 2003

LC Paper No. CB(1) 1875/02-03(02) -- Administration's responses to the lists of follow-up actions arising from the discussion on 30 May and 3 June 2003

LC Paper No. CB(1) 1875/02-03(03) -- Consolidated draft Committee Stage amendments provided by the Administration)

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

3. The Administration was requested to -

- (a) provide the Committee Stage amendments to new sections 157H and 157HA for consideration by parties which had expressed views on these sections; and

- (b) advise the policy direction in prohibiting a company to enter into a conditional sale agreement with its director if similar agreement with customers and staff of the company was not prohibited.

4. There being no other business, the meeting ended at 12:45 pm.

Council Business Division 1  
Legislative Council Secretariat  
2 July 2003

**Proceedings of the meeting of the  
Bills Committee on Companies (Amendment) Bill 2002  
Meeting on Friday, 6 June 2003, at 10:45 am  
in the Chamber of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000000 - 000825	Chairman Administration	<p>Administration's response to the concerns raised at the meetings on 30 May and 3 June 2003 (LC Paper No. CB(1) 1875/02-03(02))</p> <p>(a) extension of the two-month period under new section 153A(5) to four months</p> <p>(b) filing requirements for reserve directors</p> <p>(c) relevant provisions under the Electronic Transaction Ordinance (Cap.553) regarding electronic records</p> <p>(d) policy direction in respect of meetings being held by electronic means</p> <p>(e) reinstatement of new section 95A</p>	
000826 - 001818	Chairman Administration Ms Emily LAU ALA7	Definition of conditional sale agreement and the effect of such agreement	ALA7 to advise on the effect of the revised definition on existing standard sale agreements
001819 - 003346	Chairman Administration Ms Emily LAU ALA7	Continuation of clause-by-clause examination - Consequential and miscellaneous amendments Clauses 113 to 124 (LC Paper No. CB(1) 2346/01-02(01))	

<b>Time marker</b>	<b>Speaker</b>	<b>Subject(s)</b>	<b>Action required</b>
003347 - 004728	Chairman Ms Emily LAU Administration Clerk ALA7	Examination of consolidated draft Committee Stage amendments (CSAs)(pages 1 to 20 of LC Paper No. CB(1) 1875/2-03(03))	The Bills Committee to further consider sections 2(2), 58(3), 95A, 153A(5) and 157H, in particular, the definition of conditional sale agreement
004729 - 015535	Chairman Administration Ms Emily LAU ALA7 Mr Eric LI Mr Henry WU	Draft CSAs to section 157H and 157HA (pages 20 to 38) Whether credit transactions available to staff and customers of the company should be applicable to directors and if so, whether such would be regarded as an excepted transaction under section 157HA	The Administration to provide the Committee Stage amendments to new sections 157H and 157HA for consideration by parties which had expressed views on these sections and to advise the policy direction in prohibiting a company to enter into a conditional sale agreement with its director if similar agreement with customers and staff of the company was not prohibited
015536 - 020032	Chairman Administration Ms Emily LAU	Draft CSAs to sections 157J, 158 and 158B ( pages 39 - 43)	
020033 - 020409	Chairman Mr Eric LI	Letter from the Hong Kong Society of Accountants (HKSA) dated 5 June 2003 (LC Paper No. CB(1) 1898/02-03(01))	Points raised in HKSA's letter to be discussed further at the next meeting
020410 - 020715	Chairman Ms Emily LAU Administration	Examination of consolidated draft CSAs to be continued from page 44 at the next meeting on 9 June 2003	