

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

**List of follow-up actions arising from the discussion
at the meeting on 27 February 2003**

- (1) To advise how the bank, which makes a loan to a director of a company with security (property) provided by the latter in contravention of new section 157H, can exercise its property rights under the security document should the director fail to repay the loan, and whether the bank is a secured or unsecured creditor in the event of liquidation of the company.
- (2) To advise why is it necessary for new section 157I(3)(a) to refer to person who is not a director of a company.
- (3) To seriously re-consider members' suggestion of making it a statutory mandatory requirement for the sole member and director of a one-person company to appoint a person to act in the place of director upon his death. To provide a copy of the Administration's letter to the Law Society of Hong Kong seeking the latter's views on such a requirement and the draft Committee Stage amendments in respect of the two-month period in new section 153A(4).
- (4) To respond to the Hong Kong Association of Banks' further comments on clauses 26(2) and 33.
- (5) To provide the draft specified form in respect of the release of the registered charge under new section 85 for members' reference.