

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

**List of follow-up actions arising from the discussion
at the meeting on 12 March 2003**

- (1) To advise the model used by the Government in drafting section 157I and whether there have been any court decision or interpretation of similar provisions and whether the relevant provisions are in line with their equivalent under the Bankruptcy Ordinance (Cap. 6), particularly those which relate to the interest of an innocent third party.
- (2) To advise how the interest of a bona fide innocent third party can be protected if he has acquired the property from the mortgagee but later found out that it was a security provided by a company to the mortgagee in contravention of the new section 157H.
- (3) To consider re-drafting new section 157I with reference to section 341 of the UK Companies Acts. If this is not feasible for the time being, consideration should be given to referring the subject to the Standing Committee on Company Law Reform for further discussion.
- (4) To respond to the letter dated 6 March 2003 from the Real Estate Developers Association of Hong Kong regarding section 157I.
- (5) To include in Form M2 - Memorandum of Satisfaction or Release of Property from Charge the requirement for evidence of discharge and evidence regarding change in identity of mortgagee to be signed by the mortgagee concerned.