

立法會
Legislative Council

LC Paper No. CB(1) 1794/01-02
(These minutes have been seen
by the Administration)

Ref: CB1/HS/1/01/1

**Subcommittee on
draft subsidiary legislation to be made under
the Securities and Futures Ordinance**

**Minutes of meeting
held on Thursday, 28 March 2002, at 2:30 pm
in Conference Room A of the Legislative Council Building**

- Members present** : Hon SIN Chung-kai (Chairman)
Hon Margaret NG (Deputy Chairman)
Hon NG Leung-sing, JP
Hon Jasper TSANG Yok-sing, JP
Hon Ambrose LAU Hon-chuen, GBS, JP
Hon Henry WU King-cheong, BBS
Hon Audrey EU Yuet-mee, SC, JP
- Members absent** : Hon Albert HO Chun-yan
Hon Eric LI Ka-cheung, JP
Dr Hon David LI Kwok-po, GBS, JP
Hon James TO Kun-sun
Hon Bernard CHAN
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
- Public officers attending** : Miss AU King-chi
Deputy Secretary for Financial Services

Mr Frank TSANG
Assistant Secretary for Financial Services
- Attendance by invitation** : Mrs Alexa LAM
Executive Director, Intermediaries and Investment
Products, Securities and Futures Commission

Mr Anthony WOOD
Senior Counsel, Securities and Futures Commission

Mrs Mary AHERN
Legal Consultant, Securities and Futures Commission

Clerk in attendance : Ms Connie SZETO
Chief Assistant Secretary (1)4

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

Mr S C TSANG
Senior Assistant Secretary (1)7

I. Confirmation of minutes of meeting
(LC Paper No. CB(1) 1363/01-02)

The minutes of the Subcommittee meeting held on 8 March 2002 were confirmed.

II. Meeting with the Administration
(LC Paper No. CB(1) 1364/01-02(01))

Work plan for the Subcommittee

2. The Subcommittee deliberated (Index of proceedings attached at the **Annex**).
3. Members endorsed in principle the work plan proposed by the Administration for the scrutiny of 38 sets of draft subsidiary legislation to be made under the Securities and Futures Ordinance (SFO) for its commencement. The details, which were contained in the Annex and paragraphs 9 to 11 of the information paper (LC Paper No. CB(1) 1364/01-02(01)), were summarized as follows:
 - (a) around 38 sets of draft subsidiary legislation would be submitted in four batches;
 - (b) the Subcommittee would meet with the Administration at the end of April and May, and in July and September 2002 to consider the four batches of draft subsidiary legislation;
 - (c) to facilitate members' consideration, the Administration would prepare discussion papers containing analyses of the enabling provision in the SFO under which the subsidiary legislation were to be made, relevant consultation papers issued, summaries of public comments received and the Administration's responses thereto, and the draft subsidiary

legislation incorporating amendments to address the public comments as appropriate;

- (d) relevant discussion papers would be issued to members as soon as possible and at least one week in advance of the meeting convened to consider them; and
- (e) the grouping of draft subsidiary legislation in each batch and the meeting schedule would be adjusted in the light of progress made in drafting, public consultation and deliberations by the Subcommittee.

III. Any other business

Dates of next meetings

4. The Subcommittee agreed to schedule two meetings on **Friday, 26 April 2002 from 8:30 am to 12:45 pm** and **Monday, 29 April 2002 from 8:30 am to 12:45 pm** to consider the first batch containing the following six sets of draft subsidiary legislation:

- (a) Client Securities Rules;
- (b) Client Money Rules;
- (c) Keeping of Records Rules;
- (d) Unsolicited Calls - Exemption Rules;
- (e) Licensed Persons and Registered Institutions Rules; and
- (f) Recognized Counterparty Rules.

(Post-meeting note: Upon request of the Administration, the meeting scheduled for 26 April 2002 was cancelled and the agenda for the meeting on 29 April 2002 was revised.)

5. The meeting ended at 3:15 pm.

Legislative Council Secretariat

21 May 2002

**Proceedings of the meeting of the
Subcommittee on draft subsidiary legislation to be made
under the Securities and Futures Ordinance
on Thursday, 28 March 2002 at 2:30 pm
in Conference Room A of the Legislative Council Building**

Time	Speaker	Subject(s)	Action required
0000-0152	Chairman	Confirmation of minutes of meeting held on 8 March 2002	
0153-0434	Administration	Briefing on the proposed work plan for the Subcommittee	
0435-0458	Chairman	Support for the proposed work plan	
0459-0807	Mr Henry WU	ditto	
0808-0933	Chairman	ditto	
0934-1004	Mr Henry WU	ditto	
1005-1148	Ms Margaret NG	ditto	
1149-1209	Mr Henry WU	Timing for provision of discussion papers in batches by the Administration; grouping of draft subsidiary legislation for scrutiny by the Subcommittee	
1210-1237	Chairman	ditto	
1238-1259	Mr Henry WU	ditto	
1300-1346	Ms Margaret NG	ditto	
1347-1349	Chairman	ditto	
1350-1453	Administration	ditto	
1454-1540	Chairman	Meeting schedule for April 2002	
1541-1545	Mr Jasper TSANG	ditto	
1546-1549	Ms Margaret NG	ditto	
1550-1700	Chairman	ditto	

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

Legislative Council Secretariat
21 May 2002