

Handa CF LAM ALA

31/10/2003 09:40 AM

Urgent

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To: Anthony KH WONG/HD/HKSARG@HD

cc:

Subject: PSPS - Hunghom

Anthony,

I wish to report to you on the meeting yesterday held at the office of D of J.

The first meeting was a working meeting held with Greg Payne, NM Chan (CM/BD) and Amy Chan (SES/BD1). The following points were covered:-

- (a) the HKIAC Mediation Rules to apply
- (b) scope of mediation to cover all matters under the Statement of Claim, the premium calculation, and all matters arising out of S.C. No. (25)(b) of the land grant (purchase at guaranteed price by HA upon expiration of 20 months period)
- (c) D of J to write to Plaintiff solicitors enclosing the mediation rules and on proposed scope of mediation and other procedures for the mediation
- (d) D of J to prepare the consent summons for stay of proceedings with liberty to apply with 28 days notice

The second meeting was chaired by PSH, attended also by Vincent Tong, Simon Lee and John Corrigan.

- (a) PSH indicated that scope of mediation to cover Hunghom Peninsula only, and not Kingsford Terrace
- (b) Developer's mediation team to be led by Steward Leung (director of New World), accompanied by one outside lawyer and one in-house lawyer
- (c) Government team to be headed by John Corrigan, with Vincent Tong, D of J representative and yourself.
- (d) The client for the mediation will be SHPL (delegated authority from ExCo). PSH to act on behalf of SHPL and give instructions to the mediation team. Simon would try to identify suitable mediator for consideration.
- (e) On the choice of mediator, PSH preferred one with surveying background. There is no mediator on the HK Mediation Centre accredited list.
- (f) A preparatory meeting to be held next Tuesday with the developer's team on procedures etc. It is not necessary for the full team to attend, and on Government's side, only lawyers will attend.
- (g) Simon to check with FSTB the role which FSTB would like to play in the mediation process

Two points have been raised at the meeting, which you may wish to note and consider:-

- (A) As far as HA is concerned, whether to get JSM to get involved in the mediation. It is considered that in the interest of costs and considering the approach taken, this may not be necessary. Simon raised the point on while D of J

will be handling the mediation, whether it is necessary to get someone to look after the interest of HA and to provide independent advice. Vincent expressed that he himself is one of the mediation team member and HA can look to you for advice to protect the HA's interest. Please consider.

(B) Under the ExCo paper, costs of mediation to be shared between the developer and HA/SHPL. Question raised on who should pay for the 50% costs for Government/HA. Lands Department does not have the budget provision. PSH suggested for HA to pay the whole 50%. Any concern and do you think this is in order?

For your consideration please.

Regards,  
Handa