

**立法會**  
**Legislative Council**

LC Paper No. CB(1)2580/11-12  
(These minutes have been seen  
by the Administration)

Ref : CB1/BC/3/10/2

**Bills Committee on Companies Bill**

**Minutes of the seventeenth meeting held on  
Tuesday, 18 October 2011, at 10:45 am  
in Conference Room 2A of the Legislative Council Complex**

- Members present** : Hon Paul CHAN Mo-po, MH, JP (Chairman)  
Hon Starry LEE Wai-king, JP (Deputy Chairman)  
Hon Abraham SHEK Lai-him, SBS, JP  
Hon Audrey EU Yuet-mee, SC, JP  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon Andrew LEUNG Kwan-yuen, GBS, JP  
Hon Ronny TONG Ka-wah, SC  
Prof Hon Patrick LAU Sau-shing, SBS, JP
- Members absent** : Hon Albert HO Chun-yan  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon James TO Kun-sun  
Dr Hon Philip WONG Yu-hong, GBS  
Hon Miriam LAU Kin-yee, GBS, JP  
Hon WONG Ting-kwong, BBS, JP
- Public officers attending** : **Agenda item I**  
Mr John LEUNG, JP  
Deputy Secretary for Financial Services and the  
Treasury (Financial Services)

Mr Nick AU YEUNG  
Principal Assistant Secretary for Financial Services  
and the Treasury (Financial Services)

Ms Rita HO  
Registry Solicitor  
Companies Registry

Mrs Karen HO  
Deputy Principal Solicitor (Company Law Reform)  
Companies Registry

Ms Phyllis MCKENNA  
Deputy Principal Solicitor (Company Law Reform)  
Companies Registry

Ms Marianna YU  
Deputy Registry Manager (Registration)  
Companies Registry

Ms Margaret CHAN  
Solicitor (Company Law Reform)  
Companies Registry

Mr CHUNG Wai-tim  
Solicitor (Company Law Reform)  
Companies Registry

Miss Selina LAU  
Senior Government Counsel  
Department of Justice

Ms Natalie WONG  
Senior Government Counsel  
Department of Justice

Mr Ken FUNG  
Government Counsel  
Department of Justice

Mr Stefan LO  
Government Counsel  
Department of Justice

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

**Staff in attendance :** Mr KAU Kin-wah  
Senior Assistant Legal Adviser 3

Mr Timothy TSO  
Assistant Legal Adviser 2

Ms Sharon CHUNG  
Senior Council Secretary (1)4

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Action

**I Meeting with the Administration**

Clause-by-clause examination of the Bill

- (LC Paper No. CB(1)2948/10-11(01) -- Comparison Table for Part 3 -- Company Formation and Related Matters, and Re-registration of Company
- LC Paper No. CB(1)34/11-12(01) -- Follow-up actions to be taken by the Administration for the meeting on 26 July 2011
- LC Paper No. CB(1)34/11-12(02) -- Follow-up actions to be taken by the Administration for the meeting on 31 August 2011
- LC Paper No. CB(1)34/11-12(03) -- Administration's response to issues raised by members at the meeting on 26 July 2011 relating to companies incorporated outside Hong Kong

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- LC Paper No. CB(1)34/11-12(04) -- Administration's response to issues raised by members at the meetings on 26 July and 31 August 2011 relating to Part 2 of the Companies Bill
- LC Paper No. CB(1)34/11-12(05) -- Comparison Table for Part 4 -- Share Capital
- LC Paper No. CB(3)412/10-11 -- The Bill (Part 2, Part 3 and Part 4))

Other relevant papers

- (File Ref: CBT/17/2C
- LC Paper No. LS26/10-11 -- Legislative Council Brief
- LC Paper No. CB(1)1406/10-11(01) -- Legal Service Division Report
- LC Paper No. CB(1)1879/10-11(03) -- Paper on Companies Bill prepared by the Legislative Council Secretariat (Background brief)
- LC Paper No. CB(1)2756/10-11(03) -- Administration's paper on Part 2 and Part 12 of the Companies Bill
- LC Paper No. CB(1)1671/10-11(03) -- Comparison Table for Part 2 -- Registrar of Companies and Companies Register
- LC Paper No. CB(1)1879/10-11(02) -- Administration's paper on Part 1, Part 3 and Part 17 of the Companies Bill
- LC Paper No. CB(1)2066/10-11(01) -- Administration's response to issues raised by members at the meeting on 29 March 2011
- LC Paper No. CB(1)2439/10-11(04) -- Administration's paper on Part 4 and Part 5 of the Companies Bill
- LC Paper No. CB(1)2439/10-11(04) -- Administration's response to issues raised by members at the meeting on 19 May 2011)

Action

The Bills Committee deliberated (Index of proceedings attached at the **Appendix**).

Admin

2. The Bills Committee requested the Administration to provide written information on the amount of stamp duty on transfer of Hong Kong stock collected in the past 10 years, and to consider members' view to review the stamp duty on transfer of Hong Kong stock.

**II Any other business**

3. The Chairman reminded members that the next meeting of the Bills Committee would be held on Friday, 4 November 2011 at 8:30 am to meet with the Administration.

4. There being no other business, the meeting ended at 12:47 pm.

Council Business Division 1  
Legislative Council Secretariat  
14 September 2012

## Bills Committee on Companies Bill

**Proceedings of the seventeenth meeting  
on Tuesday, 18 October 2011, at 10:45 am  
in Conference Room 2A of the Legislative Council Complex**

Time marker	Speaker	Subject(s)	Action required
000001-000608	Chairman	Opening remarks	
<u>Clause-by-clause examination of the Bill</u> <u>Part 3 of the Bill (LC Paper No. CB(1)2948/10-11(01))</u>			
000609-000825	Administration	<u>Clause 116 -- Contracts made by or on behalf of company</u> <u>Clause 117 -- Contracts made before company's incorporation</u> <u>Clause 118 -- Bills of exchange and promissory notes</u>  Briefing on the above clauses	
000826-000849	Mr Andrew LEUNG Chairman	<u>Clause 114 -- Section 112 not to apply to certain cases</u>  Mr Andrew LEUNG's enquiry on clause 114  The Chairman's remarks that the Administration would provide supplementary information on the clause as requested at the meeting held on 11 October 2011, and the Bills Committee would discuss the clause with reference to such information	
000850-002934	Administration Ms Audrey EU Mr Andrew LEUNG Senior Assistant Legal Adviser 3 ("SALA3") Chairman	<u>Clause 119 -- Company may have common seal etc.</u> <u>Clause 120 -- Official seal for use abroad</u> <u>Clause 121 -- Official seal for sealing share certificates etc.</u>  Briefing on the above clauses  Discussion on clause 119 and request for the Administration to consider specifying in the clause the proper form of a company's common	

Time marker	Speaker	Subject(s)	Action required
		seal where a company's articles required a common seal	
002935-003001	Mr Ronny TONG Administration	<u>Clause 117 -- Contracts made before company's incorporation</u>  Discussion on the clause	
003002-004147	Administration Mr Andrew LEUNG Chairman	<u>Clause 122 -- Execution of documents by company</u> <u>Clause 123 -- Execution of deeds by company</u> <u>Clause 124 -- Execution of deeds or other documents by attorney for company</u>  Briefing on the above clauses  Discussion on the operation of the clauses	
004148-004543	Administration Mr Andrew LEUNG Chairman	<u>Clause 125 -- Unlimited company may apply for re-registration as company limited by shares</u> <u>Clause 126 -- Application for re-registration</u> <u>Clause 127 -- Issue of fresh certificate of incorporation</u> <u>Clause 128 -- Winding up of company re-registered as company limited by shares</u>  Briefing and discussion on the above clauses	
004544-004711	Administration	<u>Schedule 10</u> (Part 3 -- Transitional and Saving Arrangements for Part 3) <i>Sections 3-12</i>  Briefing on the clauses	
004712-004835	Administration	<u>Schedule 2 -- Content of Incorporation Form</u>  Briefing on Schedule 2	
<u>Follow-up actions for the meeting on 26 July 2011 relating to companies incorporated outside Hong Kong (LC Paper No. CB(1)34/11-12(03))</u>			
004836-011717	Administration Chairman Mr Jeffrey LAM Deputy Chairman Mr Andrew LEUNG	Briefing on the paper on issues relating to situation of company incorporation for listed companies in other jurisdictions, promotion of company incorporation in Hong Kong, regulation of companies incorporated in or	

Time marker	Speaker	Subject(s)	Action required
		<p>outside Hong Kong Members' views that the Companies Ordinance Rewrite exercise should aim at enhancing the competitiveness of Hong Kong as a place of incorporation for companies, and suggestions of feasible measures including review on Hong Kong's taxation system, review on laws relating to trust, and review on stamp duty on stock transfers</p> <p>Request for the Administration to provide written information on the amount of stamp duty on transfer of Hong Kong stock collected in the past 10 years, and consider members' view to review the stamp duty on transfer of Hong Kong stock</p>	<p>The Administration to take action as in paragraph 2 of the minutes</p>
<p><u>Follow-up actions for the meeting held on 26 July and 31 August 2011 relating to Part 2 of the Bill (LC Paper No. CB(1)34/11-12(04))</u></p>			
011718-012341	Administration Mr Andrew LEUNG SALA 3 Chairman	<p>Briefing on the paper (paragraphs 2-4)</p> <p>Discussion on clause 23(5) (paragraph 4 of the paper)</p>	
012350-014317	Administration SALA 3 Chairman	<p>Briefing on the paper (paragraphs 5-20)</p> <p>Discussion on clause 47 (paragraph 20 of the paper)</p>	
<p><u>Clause-by-clause examination of the Bill Part 4 (LC Paper No. CB(1)34/11-12(05))</u></p>			
014318-014939	Administration	<p><u>Clause 129 -- Nature and transferability of shares</u> <u>Clause 130 -- No nominal value</u> <u>Clause 131 -- Numbering of shares</u> <u>Clause 132 -- Share certificate to be proof of title in the absence of contrary evidence</u> <u>Clause 133 -- Repeal of power to issue stock</u> <u>Clause 134 -- Repeal of power to issue share warrants</u></p> <p>Briefing on the above clauses</p>	



<b>Time marker</b>	<b>Speaker</b>	<b>Subject(s)</b>	<b>Action required</b>
014940-015132	Mr Andrew LEUNG Administration Chairman	<u>Clause 134 -- Repeal of power to issue share warrants</u>  Discussion on the clause	
015133-020159	Administration Mr Andrew LEUNG Chairman Mr Ronny TONG	<u>Clause 135 -- Exercise by directors of power to allot shares or grant rights</u> <u>Clause 136 – Allotment of share or grant of rights with company approval</u>  Discussion on the clauses  Members' views that the Companies Bill should include provisions to enhance protection of interests of minority shareholders of companies	
020200-020210	Chairman	Date of next meeting	