

Bills Committee on Companies Bill

Proposed Work Plan

Purpose

This paper seeks Members' views on the proposed work plan of the Bills Committee.

Proposed Work Plan

2. The Companies Bill ("the Bill") contains 21 parts (909 clauses) and 10 schedules. After consulting the Chairman of the Bills Committee and the Legislative Council Secretariat, we propose that Members may consider the major proposals and policy issues in various parts first before examining the provisions clause-by-clause. To facilitate Members' consideration, on policy issues, we have grouped the 21 parts of the Bill into 10 groups (the proposed grouping is set out in **Annex**). We expect to have one meeting (or two meetings for more complex parts) for each group. For each group, we will prepare a paper which outlines the major proposals and the policy issues involved in the relevant Parts. In addition, the paper will contain a summary of the public views on key policy issues we received during the earlier public consultation and our responses. It will also contain a comparison table for each Part of the Bill which provides references to provisions in the Companies Ordinance (Cap.32) or in other jurisdictions which we have drawn reference from in drafting the relevant clauses in the Bill.

3. We propose that the deliberations on 10 groups of policy issues to be completed by mid-July 2011, allowing time to revisit any outstanding issues in September 2011. Clause-by-clause examination may then start in October 2011. In view of the length of the Bill, we expect a minimum of 20 meetings are needed for clause-by-clause examination and hence the clause-by-clause examination may run till March 2012. After the clause-by-clause examination, we propose to set aside a number of meetings in April and May 2012 to examine the

consequential amendments¹ and any other outstanding matters.

4. If the above approach is adopted, the proposed timeline for scrutinising the Bill will be as follows –

Sequence	Subject	Timeline
1	Policy issues (in 10 groups)	Mar – Sep 2011
2	Clause-by-clause examination	Oct 2011 – Mar 2012
3	Consequential amendments and other outstanding matters	Apr – May 2012

5. The work plan may be reviewed in July 2011 in light of the progress made.

Advice Sought

6. Members are invited to consider and endorse the proposed work plan.

Financial Services and the Treasury Bureau
7 March 2011

¹ We propose to deal with the consequential amendments in the form of Committee Stage Amendments. See another paper on “Overall Policies of the Companies Ordinance Rewrite”.

Grouping of 21 Parts for Deliberation on Policy Issues

<u>Item No.</u>	<u>Policy Papers</u> [*]
1	Part 1 & Schedule 1: Preliminary [^] Part 3 & Schedule 2: Company Formation and Related Matters, and Re-registration of Company Part 17: Companies not Formed, but Registrable, under this Ordinance
2	Part 16: Non-Hong Kong Companies Part 18: Communications to and by Companies
3	Part 2: Registrar of Companies and Companies Register Part 12 & Schedule 6: Company Administration and Procedure
4	Part 9, Schedules 3, 4 & 5: Accounts and Audit
5	Part 4: Share Capital Part 5: Transactions in relation to Share Capital

* Schedule 10 sets out the transitional and saving provisions for each part. We may go through these transitional and saving provisions when the relevant part is considered.

[^] Some definitions in Part 1 are relevant to certain other parts and will be further considered when those parts are examined.

<u>Item No.</u>	<u>Policy Papers</u>*
6	Part 6: Distribution of Profits and Assets Part 7: Debentures Part 8: Registration of Charges
7	Part 10: Directors and Company Secretaries Part 11: Fair Dealing by Directors
8	Part 13: Arrangements, Amalgamation, and Compulsory Share Acquisition in Takeover and Share Buy-Back Part 14: Remedies for Protection of Companies' or Members' Interests
9	Part 15: Dissolution by Striking off or Deregistration Part 19: Investigations and Enquiries
10	Part 20, Schedules 7 & 8: Miscellaneous Part 21 & Schedule 9: Consequential Amendments, and Transitional and Saving Provisions