

香港特別行政區政府財經事務局的信頭

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15 February 2000

Ms. Leung Siu-kum
Clerk to Bills Committee
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Siu-kum

**Bills Committee on
Securities (Margin Financing)(Amendment) Bill 1999**

I refer to the next meeting of the Bills Committee which has been scheduled for 17 February 2000 to scrutinize the revised draft of the replacement Division 4.

Following the discussion of the Bills Committee on our proposal to replace Division 4 of the proposed Part XA of the Securities Ordinance on "Agreements with unregistered financiers", we have further modified the draft replacement Division and are now consulting the Hong Kong Association of Banks, the Law Society of Hong Kong and the Hong Kong Society of Accountants for comments. The consultation process is underway and we have requested their responses, if any, by 17 February 2000. In the circumstances, we believe it would be advisable to postpone the next meeting of the Bills Committee to 21 February 2000.

On the remaining proposed Committee Stage Amendments (CSA),

I enclose herewith the 7th draft dated 27 January 2000 for the further scrutiny by the Assistant Legal Adviser as advised by the Bills Committee. You may however wish to note that our proposed amendment to bring the penalty levels in section 121F(4) in line with section 121C(2) has been omitted from the current draft and will be added in due course.

The Chinese version of the draft CSA will follow as soon as it is available.

Yours sincerely,

(Bryan P. K. Chan)
for Secretary for Financial Services

Encl.

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