

## **Information Note**

### **Panel on Administration of Justice and Legal Services Meeting on 23 March 1999**

#### **Role and Conduct of Hong Kong solicitors and China appointed attesting officers in China properties transactions**

#### **Introduction**

On 19 January 1999, the Chairman consulted the Panel about a referral received from the Complaints Division in relation to complaints arising from purchase of uncompleted residential properties in the Mainland. Specifically, this Panel was requested to look into the policy aspect of the case i.e. the role and conduct of Hong Kong solicitors who act as both the legal representatives of local buyers and China appointed attesting officers in China properties transactions, and whether proper monitoring mechanisms are in place to deal with complaints which might arise.

2. The Panel has agreed to discuss the subject on 23 March 1999 and to invite representatives from the Administration, the Law Society of Hong Kong, the Association of China Appointed Attesting Officers Ltd and a deputation known as “中國問題樓盤業主聯席會” to attend the meeting.

#### **Background**

3. To facilitate consideration, members are invited to refer to the following relevant documents (Chinese version) -

- (a) The deputation (中國問題樓盤業主聯席會) first approached the Complaints Division on 24 September 1997. Members receiving the deputation had a case conference with the Administration, the Law Society of Hong Kong and the Consumer Council on 22 October 1997. A copy of the record of the meeting is attached in **Appendix I**. Members may wish to note in particular the responses by the Law Society in paragraphs 20 - 34.
- (b) The deputation re-approached the Complaints Division for further assistance on 15 September 1998. The Members who received the deputation instructed that the matter be referred to the relevant Panels

for appropriate follow up action. The following relevant documents are attached -

**Appendix II** - a referral memo dated 20 November 1998 from the Complaints Division

**Annex I** - a submission from the deputation

**Annex II** - a copy of the record of Members' meeting with the deputation

### **Related developments**

4. On 25 September 1997, the Law Reform Commission published a Report on Sales Descriptions of Overseas Uncompleted Residential Properties which deals with the provision of sales literature for overseas uncompleted residential flats on sale in Hong Kong for public consultation. The consultation period ended on 1 December 1997. The Panel on Housing discussed the matter on 17 November 1997. Legislation is required to be introduced to give effect to the proposals of the Law Reform Commission.

5. A pamphlet on “境內房地產知多少” issued by the Law Society of Hong Kong is attached in **Appendix III**.

Legislative Council Secretariat

18 March 1999