

**Bills Committee on Land Titles Bill**  
**Fourth meeting on 5 May 2003**

**List of follow-up actions to be taken by the Administration**

1. Please provide, as soon as practicable, a paper addressing the following two clarifications sought by the Assistant Legal Adviser -
  - (a) Under which provision of the Bill will title registration become compulsory for new transactions? Please include in the paper the Administration's proposed amendment to the definition of "land" in clause 12(4).
  - (b) How would the rights and easements created by deeds of mutual covenant be registered?
2. On the paper on "Certificate of Good Title" (LC Paper No. CB(1)1567/02-03(02)), please address the following points of concern raised by members at the meeting:
  - (a) When a solicitor issues a certificate of good title, he is required to state that he has examined all the title deeds produced by the vendor in accordance with section 13 of the Conveyancing and Property Ordinance (Cap. 219) and is satisfied that the vendor has good title to the property. It is not easy at all for a solicitor to fulfill this requirement because:
    - (i) some of the title problems that need to be resolved before a transfer can take place are in fact very difficult to resolve. For example, if the power of attorney is defective, it is very difficult to locate the donor of the power of attorney to confirm the instrument in question; and
    - (ii) the title defects set out in paragraph 12 of the paper preclude the issue of a certificate of good title.

- (b) In view of the problems mentioned in item (a) above, some solicitors may, for the sake of completing the transaction, issue a certificate of good title even though they are not satisfied that the vendor has good title to the property. The interests of the purchaser will therefore be unduly affected.
  - (c) Given the liability involved in the issue of a certificate of good title, there may be a significant increase in the insurance premiums to be borne by solicitors.
- 3. Please work out a mechanism for the settling of disputes over whether a certificate of good title should be issued in respect of the property concerned. A proposed option is that if both the vendor's solicitor and the purchaser's solicitor agree, the case could be brought to the court for determination.

Council Business Division 1  
Legislative Council Secretariat  
14 May 2003