Bills Committee on Land Titles Bill Thirteenth meeting on 29 September 2003

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

- 1. Please consider issuing guidelines in due course to set out clearly the circumstances under which the Land Registrar would exercise his power to compel registration as provided for in clause 32.
- 2. Please consider revising both the English and Chinese texts of the drafting of the first part of clause 70(1) to improve the clarity of the provision.
- 3. Please examine whether the stamping requirement under clause 70(2) is consistent with that under clause 59.
- 4. Regarding the provision on effect of cautions in clause 71, the Bills Committee notes the advice of the Assistant Legal Adviser that there is no similar provision in the relevant English legislation. Please provide justifications for including the provision in the Bill and examine the impact of the provision, in particular its impact on the priority of a mortgagee bank in a property transaction when a consent caution is registered by a sub-purchaser immediately after the registration of a consent caution by a purchaser.
- 5. To address members' concern about a person's liability for damages for wrongful cautions under clause 73, please provide a paper to set out the practice under the existing deeds registration system and advise whether a policy change is involved under the new land title registration system. Please also set out the threshold test for "wrongfully and without reasonable cause" adopted by other jurisdictions, illustrating with relevant cases.
- 6. Please provide a paper to compare the differences of inhibitions (clause 74), restrictions (clause 77) and injunctions, particularly in the following aspects:
 - (a) nature of the restrictions imposed by inhibitions/restrictions/injunctions;
 - (b) circumstances under which inhibitions/restrictions/injunctions should be applied for;
 - (c) procedures for handling applications for inhibitions/restrictions/injunctions by the relevant authorities; and

- (d) legal effect of inhibitions/restrictions/injunctions.
- 7. According to paragraph 15 of the paper on "Cautions, Inhibitions and Restrictions" (LC Paper No. CB(1)2464/02-03(06)), the Land Registrar may make an order ("the restriction") prohibiting all dealings or imposing conditions on a dealing upon application by a person who proved to his satisfaction to be interested in the land and after making such enquiry and hearing such persons as he thinks fit so as to be satisfied that the powers of the registered owner should be restricted (clause 77(1)). Please provide a paper to cover the following points:
 - (a) Please examine whether the policy intent set out in paragraph 15 of the paper is clearly reflected in clause 77(1). In this connection, please examine whether the drafting of clause 77(1)(c) is too broad and how it could be improved; and
 - (b) Please define the ambit of the power of the Land Registrar in making a restriction, including in what ways such power is limited under the Bill, and whether the ambit of the power and the limitations are clearly set out in clause 77.

Council Business Division 1 <u>Legislative Council Secretariat</u> 8 October 2003