

立法會
Legislative Council

LC Paper No. CB(1) 326/03-04
(These minutes have been seen
by the Administration)

Ref: CB1/BC/10/02/2

Bills Committee on Deposit Protection Scheme Bill

Minutes of the sixth meeting
held on Tuesday, 4 November 2003, at 4:30 pm
in Conference Room A of the Legislative Council Building

Members present : Hon Albert HO Chun-yan (Chairman)
Dr Hon Eric LI Ka-cheung, GBS, JP
Hon Fred LI Wah-ming, JP
Hon NG Leung-sing, JP
Hon Margaret NG
Hon Bernard CHAN, JP
Hon CHAN Kam-lam, JP
Hon SIN Chung-kai
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Ambrose LAU Hon-chuen, GBS, JP
Hon Audrey EU Yuet-mee, SC, JP

Members absent : Dr Hon David LI Kwok-po, GBS, JP
Hon Abraham SHEK Lai-him, JP

Public officers attending : Hong Kong Monetary Authority

Mr Raymond LI
Executive Director (Banking Development)

Mr Raymond CHAN
Acting Division Head (Banking Development)

Financial Services and the Treasury Bureau

Mr Edmond LAU
Principal Assistant Secretary (Financial Services)

Department of Justice

Mr Lawrence PENG
Senior Assistant Law Draftsman

Ms Grace LEUNG
Government Counsel

Clerk in attendance : Miss Becky YU
Chief Assistant Secretary (1)1

Staff in attendance : Mr KAU Kin-wah
Assistant Legal Adviser 6

Mrs Mary TANG
Senior Assistant Secretary (1)2

I. Confirmation of minutes

(LC Paper No. CB(1) 202/03-04 -- Minutes of the meeting held on
21 October 2003)

The minutes of the meeting held on 21 October 2003 were confirmed.

II. Meeting with the Administration

(LC Paper No. CB(1) 2440/02-03(07) -- Administration's paper on
"Coverage Limit" and "Comparison
with Overseas Schemes"

LC Paper No. CB(1) 220/03-04(01) -- List of follow-up actions arising
from previous meetings (as at
3 November 2003)

LC Paper No. CB(1) 220/03-04(02) -- Administration's paper on "Deposit
Protection Appeals Tribunal"

LC Paper No. CB(1) 220/03-04(03) -- Administration's paper on
"Confidentiality"

LC Paper No. CB(1) 220/03-04(04) -- Administration's paper on
"Administration Cost")

2. The Committee deliberated (Index of proceedings attached at **Annex A**).

3. The Administration was requested to -
 - (a) provide and elaborate the application of the provisions in various ordinances referred to in footnote 7 of the Administration's paper on "Confidentiality" which were relevant to clause 44(1)(a) of the Bill. To also review the drafting of clause 44(1)(a), particularly on the extent to which a person should preserve and aid in preserving secrecy under the Bill;
 - (b) list out in a table provisions in the Securities and Futures Ordinance (Cap. 571) from which the relevant clauses in the Bill were modeled after;
 - (c) provide an implementation time-table showing the timeframes within which the proposals under the Deposit Protection Scheme Ordinance would come in full operation; and
 - (d) review the drafting of clause 43 to make it clear that a case could be remitted to the Deposit Protection Appeals Tribunal after the Court of Appeal ruled against a determination of the Tribunal.
4. There being no other business, the meeting ended at 6:25 pm.

**Proceedings of the meeting of the
Bills Committee on Deposit Protection Scheme Bill
Meeting on Tuesday, 4 November 2003, at 4:30 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000000 - 000218	Chairman	Introductory remarks and confirmation of minutes of meeting held on 21 October 2003 (LC Paper No. CB(1) 202/03-04)	
000219 - 000601	Administration Chairman	Paper on "Administration cost" (LC Paper No. CB(1) 220/03-04(04))	
000602 - 001309	Mr Jasper TSANG Chairman Administration	Deployment of staff of Hong Kong Monetary Authority in the management of the Deposit Protection Scheme (DPS); and calculation of staff and administration cost in the case of a bank failure	
001310 - 001818	Chairman Administration	Paper on "Confidentiality" (LC Paper No. CB(1) 220/03-04(03))	
001819 - 002726	Mr Jasper TSANG Chairman	Application of clause 44	
002727 - 003857	Miss Margaret NG Administration Chairman ALA6 Mr SIN Chung-kai	The extent to which a person should preserve and aid in preserving secrecy under the Bill in order not to contravene clause 44(1)(a); and concern about the heavy penalty for contravening clause 44	The Administration to provide and elaborate the application of the provisions in various ordinances referred to in footnote 7 of the Administration's paper on "Confidentiality" which were relevant to clause 44(1)(a) of the Bill. To also review the drafting of clause 44(1)(a), particularly on the extent to which a person should preserve and aid in preserving secrecy under the Bill

Time marker	Speaker	Subject(s)	Action required
003858 - 004326	Administration	Paper on “Deposit Protection Appeals Tribunal” (LC Paper No. CB(1) 220/03-04(02))	
004327 - 004652	Chairman Administration	Jurisdiction of the Tribunal	
004653 - 005102	Chairman Administration Mr SIN Chung-kai	Powers of Tribunal under clause 40 modeled after section 219 of the Securities and Future Ordinance (Cap. 571)	The Administration to list out in a table provisions in the Securities and Futures Ordinance from which the relevant clauses in the Bill were modeled after
005103 - 005425	Chairman Administration	Appeal to Court of Appeal under clause 43	The Administration to review the drafting of clause 43 to make it clear that a case could be remitted to the Deposit Protection Appeals Tribunal after the Court of Appeal ruled against a determination of the Tribunal
005426 - 010326	Administration Chairman	Brief examination of Part 6 of the Bill (clauses 38 to 43)	
010327 - 010332	Administration Chairman	Brief examination of Part 7 of the Bill (clauses 44 onwards)	
010333 - 010941	Administration Chairman	Provision of information on underlying beneficiaries and clients in client accounts by scheme members being dispensed with under clause 46(5) for administrative reasons (such information to be provided by account holders to the DPS Board direct in the event that compensation was payable)	
010942 - 011242	Ms Audrey EU Administration Chairman	Provision of audit reports under clauses 46(3) and (4)	

Time marker	Speaker	Subject(s)	Action required
011243 - 011609	Chairman Administration Mr NG Leung-sing	Offences under clause 46(6)	
011610 - 011730	Chairman Administration	Clauses 47 and 48	
011731 - 012151	Chairman Administration	Clause 49(2) - Offences for contravention of rules made under clause 49	
012152 - 013012	Ms Audrey EU Administration Chairman ALA6	Concern about the heavy penalty under clause 49(2) and the implications of contravening the rules	
013013 - 013036	Administration	Clause 50	
013037 - 013702	Administration Chairman	Asset maintenance requirements under clause 51	
013703 - 013932	Mr SIN Chung-kai Administration Chairman	Provision of time-table showing the intended time-frames for major events in implementing DPS	The Administration to provide an implementation time-table showing the timeframes within which the proposals under the Deposit Protection Scheme Ordinance would come in full operation
013933 - 014236	Administration Chairman	Schedules 3 and 5	
014237 - 014320	Chairman Administration	Next meeting to examine the summary of concerns (LC Paper No. CB(1) 220/03-04(01))	
014321 - 014452	Chairman Administration	Schedule of meeting	