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REVISED

Secretary for Home Affairs

1 June 2005

BY FAX Fax No. : 2147 0984

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(Attn: Mrs Angelina Cheung, JP

Assistant Director of Home Affairs)

Home Affairs Bureau 21/F, China Overseas Building 139 Hennessy Road

Wan Chai Hong Kong

Dear Mrs Cheung,

Building Management (Amendment) Bill 2005

Thank you for your reply of 13 May 2005. We have further queries for your clarification.

Clause 15 – adding new section 29A

Would you give examples to illustrate how does new section 29A operate to exempt a member of a management committee ("MC"), acting in good faith, from incurring personal liability for any act done or default made by or on behalf of the corporation

- (a) in the exercise or purported exercise of the powers conferred by the Building Management Ordinance ("BMO") on the corporation; or
- (b) in the performance or purported performance of the duties imposed by the BMO on the corporation?

<u>Clause 23 – amending Schedule 2</u>

(a) As explained in paragraph 6 of the LegCo Brief, the Bill repeals all references to the deed of mutual covenant ("DMC") in Schedule 2 so that the operation of an MC will follow the requirements under the BMO instead of the DMC. After passage of the Bill, no more MC could be formed otherwise than under the BMO. In such an event, why is it necessary to retain paragraph 12 of Schedule 2?

- (b) Noting that the convenor's duties are confined to the appointment of an MC under section 3, 3A or 4, who is to conduct the proceeding to appoint the members of an MC, etc. under new paragraph 2(1) of Schedule 2?
- (c) What would be the legal sanction against an outgoing MC member under paragraph 5A of Schedule 2, if he fails to deliver the books and records to the specified persons within the specified period? If there is no legal sanction, what would be the legal redress of the aggrieved party?
- (d) In your reply, you mentioned that the affected party may seek redress in court for the secretary's failure to comply with a legitimate request under new paragraph 10A(2). What would be the legal redress?

Clause 24 - amending Schedule 3

- (a) In your reply, you explained that the chairman of a meeting has a common law power to adjourn the meeting. But the question is would it be lawful for the notice to specify (not the chairman's power to adjourn at the meeting) that if the meeting could not be finished at a certain time, then it would be adjourned to a specified date to continue with the discussion about the outstanding business?
- (b) In your reply, you mentioned that the affected party may seek redress in court for the secretary's failure to comply with a legitimate request under new paragraph 6A. What would be the legal redress?

Clause 27 – amending Schedule 6

In your reply, you mentioned that the affected party may seek redress in court for the treasurer's failure to comply with a legitimate request under the amended paragraph 3. What would be the legal redress?

Clause 28 – amending Schedule 7

In your reply, you mentioned that the affected party may seek redress in court for the manager's failure to keep segregated trust/client account under the amended paragraph 3 or 4. What would be the legal redress?

We should be grateful for your earliest reply in both languages.

Yours sincerely,

(Stephen Lam) Assistant Legal Adviser

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