

Room 525, 5/F., Prince's Building, Central, Hong Kong  
Telephone: 2521 1160, 2521 1169 Facsimile: 2868 5035  
Email: info@hkab.org.hk Web: www.hkab.org.hk

香港中環太子大廈5樓525室  
電話：2521 1160, 2521 1169 圖文傳真：2868 5035  
電郵：info@hkab.org.hk 網址：www.hkab.org.hk

16 March 2012

By email: [bc\\_03\\_10@legco.gov.hk](mailto:bc_03_10@legco.gov.hk)

Bills Committee on Companies Bill  
Legislative Council  
Legislative Council Complex  
1 Legislative Council Road  
Central  
Hong Kong

Attn: Ms Sharon Chung

Dear Sirs

**Clause 664 of the Companies Bill - Retention of Headcount Test for Company's Scheme**

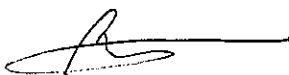
Thank you for your letter dated 14 February 2012 inviting our comments on the above.

To tackle the problem of share splitting, we support to retain the headcount test for members' schemes with the court given discretion to dispense with the headcount test in special circumstances.

We consider that giving the court discretion to dispense with the headcount test should be extended to creditors' scheme of arrangement or compromise. This is important because circumstances similar to share splitting may also occur under creditors' scheme in manipulating the outcome of voting, which would defeat the purpose of the headcount test which is intended to protect minority creditors. The court's discretion would provide a necessary safeguard for genuine creditors under such circumstances.

We hope you would find our comments useful. Should you require any further information, please do not hesitate to contact our Manager, Ms. Caris Wan at 2521 1855.

Yours faithfully



Ronie Mak  
Secretary

*Chairman* The Hongkong and Shanghai Banking Corporation Ltd  
*Vice Chairmen* Bank of China (Hong Kong) Ltd  
Standard Chartered Bank (Hong Kong) Ltd  
*Secretary* Ronie Mak

主席 香港上海匯豐銀行有限公司  
副主席 中國銀行（香港）有限公司  
渣打銀行（香港）有限公司  
秘書 麥依敏