

**Securities and Futures and Companies Legislation  
(Uncertificated Securities Market Amendment) Bill 2014**

**Debate and voting arrangements**

<b>First debate</b>	: Clauses with no amendment – Clauses 2 to 11 and 13 to 61
<b>Voting</b>	: To vote on the above clauses standing part of the Bill
<b>Second debate</b>	: Clauses with amendments proposed by the Secretary for Financial Services and the Treasury (“SFST”) – Clauses 1 and 12
Joint debate on the original clauses and the amendments thereto.	
<u>Clause 1</u>	
<ul style="list-style-type: none"> <li>- to delete subclause (2) and substitute it with new subclauses (2) and (3), to provide that:               <ul style="list-style-type: none"> <li>(i) certain provisions (including the provision of the commencement of any subsidiary legislation made under the Securities and Futures Ordinance mentioned in clause 17(7)) will come into operation on the day on which the Bill is published on the Gazette as Ordinance; and</li> <li>(ii) clauses 2(2) and (3) (Enactments amended), Part 2 (Amendments to Securities and Futures Ordinance) (except clause 17(7)), Part 3 (Amendments to Companies Ordinance) and Part 4 (Related Amendments) will come into operation on a day to be appointed by SFST by notice published in the Gazette.</li> </ul> </li> </ul>	
<u>Clause 12</u>	
<ul style="list-style-type: none"> <li>- to amend the proposed section 101AAO(2)(k) to the effect that the rule-making power under that provision can apply to brokers and custodians who, together with share registrars, fall under the definition of system participants; and</li> <li>- to add new subsection (2A)(a) and (b) to the proposed section 101AAO, to make explicit that:               <ul style="list-style-type: none"> <li>(i) the Uncertificated Securities Market Rules made by the Securities and Futures Commission (“SFC”) may provide for the making of applications to the Court in relation to any of the activities or matters mentioned in subsection (1) or (2) of that provision (including allotment or transfer of prescribed securities, conversion of prescribed securities in certificated form into uncertificated form or vice versa) and for the Court’s functions on receiving such applications; and</li> <li>(ii) such SFC rules may cover matters that relate or are incidental to the matters described in its subsections (1) , (2) or (2A)(a).</li> </ul> </li> </ul>	
<b>Voting</b>	: To vote on the above amendments together
<b>Third debate</b>	: New clause proposed by SFST – New division heading before new clause 60A and new clause 60A
<ul style="list-style-type: none"> <li>- to add new clause 60A to new Division 4A, to amend section 4 of Schedule 1 to the Electronic Transactions Ordinance to provide legal certainty that contract notes which are to be stamped under the new section 5AA(2) of the Stamp Duty Ordinance (i.e. pursuant to a new stamping arrangement approved by the Collector of Stamp Revenue) can be made and executed in electronic form.</li> </ul>	
<b>Voting</b>	: To vote on the above new clause

**SFST’s amendments**

(issued under LC Paper No. CB(3) 490/14-15 on 3 March 2015)