

REVIEW OF PROPOSED LEGISLATION COMMITTEE

The Committee met on two occasions.

Consultation Paper on Legislation to Enhance Protection for Consumers against Unfair Trade Practices (Consultation Paper)

The Committee met to review the Consultation Paper which reviewed existing consumer protection legislation, in particular the *Trade Descriptions Ordinance* (TDO) and put forward proposals to enhance consumer protection against unfair trade practices. The main proposal was to extend the TDO to cover Trade Descriptions of Services and create new criminal sanctions in respect of common practices such as: "bait and switch, bait advertising and the practice of accepting payments without the intention or ability to supply the contracted goods or services". The new criminal sanctions would be introduced by creating strict liability offences.

The Committee decided to seek the views of the Criminal Law and Procedure Committee and a joint meeting was held on 19 October when consensus was achieved that the introduction of strict liability offences would not be too draconian.

Submissions were sent to the Commerce and Economic Development Bureau on 29 October.

Members of the Committee:

Neville J.J. WATKINS (*Chairman*)

David T.W. LAM (*resigned in August*)

Isabella W.H. CHAN

Raymond C.Y. LEE

Secretary: Director of Practitioners Affairs

SECURITIES LAW COMMITTEE

The Committee had an extremely busy year. Members reviewed and prepared submissions on the following:-

- *Consultation Paper on Scripless Securities*
- *Consultation Paper on Proposed Establishment of an Investor Education Council and a Financial Dispute Resolution Centre*
- *Companies Ordinance Rewrite*
- *Consultation Paper on Proposed Statutory Codification of Certain Requirements to Disclose Price Sensitive Information by Listed Corporations-FAQs*
- *Consultation Paper on the Draft Guidelines on Disclosure of Inside Information*
- *Consultation Paper on Multiple Statutory Derivative Actions*
- *Consultation Paper on Proposed New AML Legislation for Financial Institutions*
- *Legislation (Structured Products Amendment) Bill 2010*
- *Consultation Paper on Proposed Regulatory Regime for Credit Rating Agencies*
- *Consultation Paper on Proposed Establishment of an Independent Insurance Authority*
- *Consultation Paper on Proposed Changes to Requirements for Qualified Property Acquisitions and Formation of Joint Ventures*
- *Consultation Paper on Proposed Change to the Minimum Number of Shareholders for the Market Capitalisation/ Revenue Test*
- *Consultation Paper on the Evidential Requirements under the Securities and Futures (Professional Investor) Rules*
- *Anti-Money Laundering (Financial Institutions) Bill*

Members of the Committee:

Simon H. BERRY (*Chairman*)

James W. BAIRD

Julia F. CHARLTON

Leo P.Y. CHIU

Julianne P. DOE

Teresa Y.Y. KO

Vincent P.C. KWAN

Secretary: Director of Practitioners Affairs

Angelina P.L. LEE

Timothy LOH

Gavin P. NESBITT

David P.R. STANNARD

Dominic W.L. TSUN

Dieter L.T. YIH

WORKING PARTY ON HIGHER RIGHTS OF AUDIENCE (WORKING PARTY)

The Working Party noted the *Legal Practitioners (Amendment) Ordinance* was enacted on 20 January. At its meeting, on 3 February, members noted they had completed the Working Party's Terms of Reference and made a recommendation to the Standing Committee that a new HRA Committee be convened to monitor the implementation of HRA.

Members of the Working Party:

Peter H. C. BARNES (*Chairman*)

Melville T.C. BOASE

Christopher P. ERVING

Stephen W.S. HUNG

Nicholas D. HUNSWORTH

Mark LIN

J.C. Nicholas MILLAR

Secretary: Director of Practitioners Affairs

Christopher N. MORLEY

Amirali B. NASIR

Mark F. REEVES

Sharon A. SER

Sylvia W.Y. SIU

Felix K.Y. YAU

WORKING PARTY ON REVIEW OF TRUSTEE ORDINANCE

At the recommendation of the Working Party, The Law Society submitted views in September 2009 on the Consultation Paper issued by the FSTB on "Review of the Trustees Ordinance and Related Matters". The Working Party reviewed and responded to a query raised by the FSTB on The Law Society's recommendation to introduce legislation to provide that a trustee should have an insurable interest in the trust property under certain circumstances, as a trustee should not make a profit out of his trust, or place himself in a position of conflict of interest with the trust. FSTB published the Consultation Conclusions in February. The Government indicated a Bill incorporating its proposed amendments to the *Trustee Ordinance, Cap. 29 and the Perpetuity and Accumulations Ordinance, Cap. 257* will be drafted; the Working Party will review the terms of the proposed legislation in due course.

Members of the Working Party:

Billy W. Y. MA (*Chairman*)

James J. BERTRAM

CHAN Chak Ming

Lester G. HUANG

Secretary: Assistant Director, Practitioners Affairs

Simon J. G. RAE

Herbert H. K. TSOI

David A. WHITE

WONG Tak Shing