

ARTICLES OF ASSOCIATION

of

THE HONG KONG CLUB FOUNDATION LIMITED

Incorporated the [*] day of [*]



23201014246
AAG
21/01/2015

THE COMPANIES ORDINANCE (CHAPTER 622)

Company Limited by Guarantee not having a Share Capital

ARTICLES OF ASSOCIATION

of

THE HONG KONG CLUB FOUNDATION LIMITED

Part A Mandatory Articles

1. Company Name The name of the Company is

“THE HONG KONG CLUB FOUNDATION LIMITED”

2. Members' Liabilities

The liability of the members is limited.

3. Liabilities or Contributions of Members

Every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member, or within 1 year afterwards, for the payment of the debts and liabilities of the Company contracted before he ceases to be a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding the amount specified below:

Class of Members

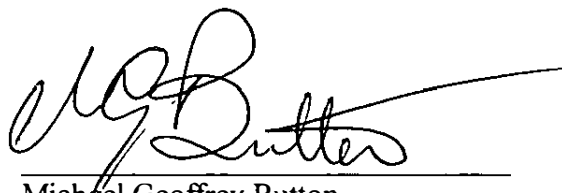
All
HKD100

Amount to be contributed by each of the
members in this class

I/WE, the undersigned, wish to form a company and wish to adopt the articles of association as attached.

Name(s) of Founder Member(s)

For and on behalf of
The Hong Kong Club

A handwritten signature in black ink, appearing to read 'Michael Geoffrey Button', written over a horizontal line.

Michael Geoffrey Button
Director

The Hong Kong Club

Part B Other Articles

1. The name of the Company (hereinafter called “the Foundation”) is THE HONG KONG CLUB FOUNDATION LIMITED.
2. The Registered Office of the Foundation will be situated in the Hong Kong Special Administrative Region (hereinafter called “Hong Kong”).
3. The objects for which the Foundation is established are:
 - (1) To support the relief of poverty, advancement of education, promotion of health and preservation of the countryside for the benefit of the community of Hong Kong.
 - (2) On a non-profit making basis, to advance education by establishing or supporting schools, libraries and educational facilities or the provision of training or education in Hong Kong by providing financial and other support to relevant organizations, provided that the recipients of the funds of the Foundation which are organizations shall prohibit the distribution of their income and property amongst their members to an extent at least as great as is imposed on the Foundation by virtue of Article 4 hereof.
 - (3) To promote, organize or provide financial support to persons in Hong Kong to further their education.
 - (4) To promote any charitable purposes for the benefit of the community in Hong Kong.
 - (5) To support local charities in Hong Kong inter alia by distributing funds raised by regular or occasional donations from members of The Hong Kong Club or from The Hong Kong Club or raised in charitable events or otherwise to recognized charitable organizations in Hong Kong and other parts of the world for the purpose of obtaining the aforesaid objects, provided that the recipients of the funds of the Foundation which are organizations shall prohibit the distributions of their income and property amongst their members to an extent at least as great as is imposed on the Foundation by virtue of Article 4 hereof.
 - (6) To carry out and perform all and any other lawful acts, works, enterprises or things as are of a charitable nature.
 - (7) To do all such other lawful things as are incidental or conducive to the attainment of the above objects including (without prejudice to the generality of the foregoing) the following: -
 - (a) To borrow or otherwise raise money with or without security and, for that purpose, to charge any of the property of the Foundation and to undertake the repayment or performance of any debt, liability, contract or other engagement incurred or to be entered into in any way by the Foundation

and to secure the same in such manner as the Governing Body shall think fit.

- (b) Subject to Article 4, to engage, employ and/or authorize the engagement and employment of such persons as are considered necessary to the management or operations of the Foundation and its activities.
- (c) On a non-profit making basis, to organize conventions, seminars, conferences, meetings, lectures, classes, exhibitions, demonstrations, displays, shows and gatherings of any kind whatsoever for the promotion of the objects of the Foundation.
- (d) On a non-profit making basis, to publish any newspapers, periodicals books, leaflets or electronic communications through the internet or otherwise that the Foundation through its Governing Body considers desirable for the promotion of its objects and generally to make known, by way of advertisement or otherwise, the objects of the Foundation.
- (e) To promote and hold, either alone or in conjunction with any other corporation or association, club or person, any competition, meeting, exhibition or performance of any kind; to offer, give, contribute to and distribute prizes and awards in connection therewith and to promote, give, hold or support local gatherings and entertainments of all kinds for fund-raising on a non-profit making basis for furthering the objects of the Foundation and the raising of money for the objects of the Foundation.
- (f) To enter into any arrangement or contract with any governments or authorities, supreme, municipal, local or otherwise or with any person or company that is conducive to the objects of the Foundation or any of them and to obtain from any such government, authority, person or company any rights, privileges and concessions which the Foundation may through its Governing Body think desirable to obtain and carry out, exercise and comply with any such arrangements, contracts, rights, privileges and concessions.
- (g) Subject to Article 4, to pay a gratuity, pension or allowance on retirement to any person who has been employed by the Foundation or the dependants or relatives of any such person and to set up and make contributions to any fund and pay premiums for the purchase of any such gratuity or pension or allowance and to make payments towards insurance.
- (h) To purchase, subscribe for, underwrite, take or otherwise acquire and hold for investment or otherwise any shares, stock, bonds, options, debentures, debenture stock, obligations or securities issued or guaranteed by any company, corporation, public body, supreme, municipal, local or otherwise or of any Government or State.
- (i) To purchase, take on lease or in exchange, hire or otherwise acquire, and

obtain options over lands, buildings and generally any real or personal property, rights or privileges of any kind which the Foundation considers necessary for or with reference to any of its objects, or capable of being dealt with in a proper and prudent manner in connection with any of its property or rights for the time being.

- (j) To improve, manage, develop, grant licences, easements and other rights over, exchange and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Foundation, or any part thereof, for such consideration as are considered fit, and in particular for stocks, shares, debenture stock or securities of any other company, whether fully or partly paid up.
- (k) To pay for any property or rights acquired by the Foundation, and for any services rendered or to be rendered to the Foundation.
- (l) To invest and deal with moneys and assets of the Foundation not immediately required in a proper and prudent manner and to receive money and securities on deposit, at interest or otherwise.
- (m) To borrow or raise money and to secure or discharge any debt or obligation of or binding on the Foundation in such manner as are considered fit, and in particular by mortgages or other charges upon the undertaking and all or any of the property and assets (present and future).
- (n) To draw, make, accept, endorse, discount, negotiate, execute and issue, and to buy sell and deal with bills of exchange, promissory notes and other negotiable or transferable instruments or securities.
- (o) To subscribe money for any charitable object or for any purpose which could further the objects of the Foundation, provided that the recipients of the funds of the Foundation which are organizations shall prohibit the distribution of their income and property amongst their members to an extent at least as great as is imposed on the Foundation by virtue of Article 4 hereof.
- (p) To hold in its own name any property which the Foundation is authorized to acquire and to do all or any of the things and matters aforesaid in any part of the world and either as principal, agent, contractor, trustee or otherwise, and by or through trustees, agents, subcontractors or otherwise, and either alone or in conjunction with others; and to accept property on trust and to act as trustee, executor, administrator or attorney either gratuitously or otherwise.

Provided that: -

- (i) in case the Foundation shall take or hold any property which may

be subject to any trusts, the Foundation will only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

- (ii) the objects of the Foundation shall not extend to the regulation of relations between workers and employers or organizations of workers and organization of employers.
- (iii) the Foundation shall not support or oppose candidates for public office or engage in lobbying or attempts to influence legislation.

4. The application of the income and property of the Foundation is restricted as follows:

- (1) The income and property of the Foundation, however derived, shall be applied solely towards the promotion of the objects of the Foundation as set out in these Articles.
- (2) Subject to (4) and (5) below, no portion of the income and property of the Foundation shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever, to any member of the Foundation.
- (3) No member of the Governing Body of the Foundation shall be appointed to any salaried office of the Foundation, or any office of the Foundation paid by fees and no remuneration or other benefit in money or money's worth (except as provided in (5) below) shall be given by the Foundation to any member of the Governing Body.
- (4) Nothing herein shall prevent the payment, in good faith, by the Foundation of reasonable and proper remuneration to any officer or servant of the Foundation, or to any member of the Foundation not being a member of Governing Body of the Foundation in return for any services actually rendered to the Foundation.
- (5) Nothing herein shall prevent the payment, in good faith, by the Foundation: -
 - (a) to any member of its Governing Body of out-of-pocket expenses;
 - (b) of interest on money lent by any member of the Foundation or its Governing Body at a rate per year not exceeding 2% above the prime rate prescribed for the time being by The Hongkong and Shanghai Banking Corporation Limited for Hong Kong dollar loans;
 - (c) of reasonable and proper rent for premises demised or let by any member of the Foundation or of its Governing Body;
 - (d) of remuneration or other benefit in money or money's worth to a body corporate in which a member of the Foundation or of its Governing Body is interested solely by virtue of being a member of that body corporate by holding not more than one-hundredth part of its capital or controlling not more than a one-hundredth part of its votes.

- (6) No person shall be bound to account for any benefit he may receive in respect of any payment properly paid in accordance with (4) and (5) above.
5. The liability of the members is limited.
6. Every member of the Foundation undertakes to contribute to the assets of the Foundation, in the event of its being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Foundation contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one hundred Hong Kong Dollars (HK\$100).
7. If upon the winding up or dissolution of the Foundation there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Foundation; but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Foundation, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the Foundation under or by virtue of Article 4, such institution or institutions to be determined by the members of the Foundation at or before the time of dissolution and in default thereof by a Judge of the High Court of the Hong Kong Special Administrative Region having jurisdiction in regard to charitable funds, and if and so far as effect cannot be given to the aforesaid provision then to some charitable object.
8. True accounts shall be kept of the sums of money received and expended by the Foundation, and the matters in respect of which such receipts and expenditure take place, and of the property, credits and liabilities of the Foundation and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Foundation for the time being in force, shall be open to the inspection of the members of the Foundation. Once at least in every year the accounts of the Foundation shall be examined and the correctness of the balance sheet ascertained by one or more authorized Auditors or Auditors.

Interpretation

9. In these Articles:

“Governing Body” means the board of directors of the Foundation from time to time;

“Ordinance” means the Companies Ordinance, Chapter 622 of the Laws of Hong Kong as amended from time to time;

“seal” means the common seal of the Foundation;

“secretary” means any person appointed to perform the duties of the secretary of the Foundation.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Ordinance or any statutory modification thereof in force at the date at which these Articles become binding on the Foundation.

Members

10. The number of members with which the Foundation proposes to be registered shall not exceed one.
11. The Hong Kong Club shall be the sole member of the Foundation.

General Meetings

12. Subject to Sections 611, 612 and 613 of the Ordinance, the Foundation must in respect of each financial year of the Foundation, hold a general meeting as its annual general meeting in accordance with Section 610 of the Ordinance.
13. All general meetings other than annual general meetings shall be called extraordinary general meetings.
14. The Governing Body may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by section 556 of the Ordinance. If at any time there are not within Hong Kong sufficient members of the Governing Body capable of acting to form a quorum, any member of the Governing Body or The Hong Kong Club may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be convened by the Governing Body.

Notice of General Meetings

15. An annual general meeting and a meeting called for the passing of a special resolution shall be called by 21 days' notice in writing at the least, and a meeting of the Foundation other than any annual general meeting or a meeting for the passing of a special resolution shall be called by 14 days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Foundation in general meeting, to such persons as are, under the Articles of the Foundation, entitled to receive such notices from the Foundation.

Provided that a meeting of the Foundation shall, notwithstanding that it is called by

shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed: -

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than 95 per cent of the total voting rights of all the members entitled to attend and vote at that meeting.
16. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

Proceedings at General Meetings

17. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of and the fixing of the remuneration of the auditors.
18. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting; save as herein otherwise provided, one member present in person shall be a quorum
19. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Governing Body may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.
20. The chairman, if any, of the Governing Body shall preside as chairman at every general meeting of the Foundation, or if there is no such chairman, or if he shall not be present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act or is absent from Hong Kong or has given notice to the Foundation of his intention not to attend the meeting, the members of the Governing Body present shall elect one of their number to be chairman of the meeting.
21. If at any meeting no member of the Governing Body is willing to act as chairman or if no member of the Governing Body is present within 15 minutes after the time appointed for holding the meeting, the member present shall choose one of their number to be chairman of the meeting.
22. The chairman may, with the consent of any meeting at which a quorum is present (and

shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of any original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

23. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded: -
- (a) by the chairman; or
 - (b) by at least two members present in person or by proxy; or
 - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Foundation shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

24. Except as provided in Article 26, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
25. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
26. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

Votes of Members

27. Every member shall have one vote.
28. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by the court, and any such committee, receiver, curator bonis or

other person may, in a poll, vote by proxy.

29. No member shall be entitled to vote at any general meeting unless all moneys payable by him to the Foundation in his capacity as member, and which have been outstanding for more than 1 month after they fell due for payment, have been paid.
30. On a poll votes may be given either personally or by proxy.
31. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the Foundation.
32. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Foundation or at such other place within Hong Kong as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
33. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit: -

“THE HONG KONG CLUB FOUNDATION LIMITED”

I/We [*] of [*], being a member/members of the above named Foundation, hereby appoint[*] of [*] or failing him [*] of [*] as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be] general meeting of the Foundation to be held on the [*] day of [*] and at any adjournment thereof.

Signed this [*] day of [*]

34. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or form as near thereto as circumstances admit: -

“THE HONG KONG CLUB FOUNDATION LIMITED”

I/We [*] of [*] being a member/members of [*] the above named Foundation, hereby appoint[*] of [*] or failing him [*] of [*] as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be] general meeting of the Foundation to be held on the [*] day of [*], and at any adjournment thereof.

Signed this [*] day of [*]

This form is to be used in *favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.

*Strike out whichever is not desired".

35. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
36. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Foundation at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Corporations acting by Representatives at Meetings

37. Any corporation which is a member of the Foundation may by resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Foundation, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Foundation.

Members of the Governing Body

38. The first members of the Governing Body shall be determined in writing by The Hong Kong Club. From the first Annual General meeting of the Foundation, the members of the Governing Body shall be elected annually at the Annual General Meeting of the Foundation so that each member of the Governing Body shall retire at the Annual General meeting following his or her appointment, but may be eligible for re-election. A member of the Governing Body need not be a member of the Foundation. At least one member of the Governing Body shall be a current member of the General Committee of The Hong Kong Club. There shall be a minimum of 5 members of the Governing Body and a maximum of 9 members.
39. The members of the Governing Body may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Governing Body or any committee of the Governing Body or general meetings of the Foundation or in connection with the operations of the Foundation.

Borrowing Powers

40. In furtherance of the objects of the Foundation but not otherwise, the Governing Body may exercise all the powers of the Foundation to borrow money, and to mortgage or charge its undertaking and property, or any part hereof, whether outright or as security for any debt, liability or obligation of the Foundation.

Powers and Duties of the Governing Body

41. The management of the Foundation and the funds and property belonging to the Foundation or under its control is vested in the Governing Body, who, subject to Article 4, may pay all expenses incurred in promoting and registering the Foundation, and may exercise all such powers of the Foundation as are not, by the Ordinance or by these Articles, required to be exercised by the Foundation in general meeting, subject nevertheless to the provisions of the Ordinance or these Articles and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Foundation in general meeting; but no regulation made by the Foundation in general meeting shall invalidate any prior act of the Governing Body which would have been valid if that regulation had not been made.
42. The Governing Body may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the Foundation for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Governing Body may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
43. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Foundation, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, jointly by at least two members of the Governing Body.
44. The Governing Body shall cause minutes to be made in books provided for the purpose: -
- (a) of all appointments of officers made by the Governing Body;
 - (b) of the names of the members of the Governing Body present at each meeting of the Governing Body and of any committee of the Governing Body;
 - (c) of all resolutions and proceedings at all meetings of the Foundation, and of the Governing Body, and of committees of the Governing Body;

and every member of the Governing Body present at any meeting of the Governing Body or committee of the Governing Body shall sign his name in a book to be kept for the purpose.

Disqualification of members of the Governing Body

45. The office of member of the Governing Body shall be vacated if the member of the Governing Body: -

- (a) holds any office of profit under the Foundation; or
- (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) becomes of unsound mind; or
- (d) resigns his office by notice in writing to the Foundation given in accordance with section 455 of the Ordinance; or
- (e) shall for more than 6 months have been absent without permission of the Governing Body from meetings of the Governing Body held during that period; or
- (f) is directly or indirectly interested in any transaction, arrangement or contract (being a transaction, arrangement or contract of significance in relation to the Foundation's operations) with the Foundation and, if his interest in the transaction, arrangement or contract is material, fails to declare the nature and extent of his interest in manner required by sections 536 to 538 and 542 of the Ordinance.

A member of the Governing Body shall not vote nor be counted for quorum purposes in respect of any transaction, arrangement or contract in which he is interested or any matter arising therefrom, and if he does so vote his vote shall not be counted.

Appointment and Removal of members of the Governing Body

- 46. There shall be no rotation of members of the Governing Body.
- 47. No person shall unless recommended by the Governing Body be eligible for election to the office of member of the Governing Body at any general meeting unless, not less than 3 nor more than 21 days before the date appointed for the meeting, there shall have been left at the registered office of the Foundation notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.
- 48. The Foundation may from time to time by ordinary resolution increase or reduce the number of members of the Governing Body.
- 49. The Governing Body shall have power at any time, and from time to time, to appoint any person to be a member of the Governing Body, either to fill a casual vacancy or as an addition to the existing members of the Governing Body, but so that the total number of members of the Governing Body shall not any time exceed the number fixed in accordance with these Articles. Any member of the Governing Body so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.
- 50. The Foundation may by special resolution remove any member of the Governing Body

before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Foundation and such member of the Governing Body.

51. The Foundation may by ordinary resolution appoint another person in place of a member of the Governing Body removed from the office under the immediately preceding article. Without prejudice to the powers of the Governing Body under Article 49 the Foundation in general meeting may appoint any person to be a member of the Governing Body either to fill a casual vacancy or as an additional member of the Governing Body. The person appointed to fill such a vacancy shall be subject to retirement at the same time as if he had become a member of the Governing Body on the day on which the number of the Governing Body in whose place he is appointed was last elected a member of the Governing Body.

Proceedings of the Governing Body

52. The Governing Body may meet together for the dispatch of business, adjourn, and otherwise regulate its meetings, as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote. A member of the Governing Body may, and the secretary on the requisition of a member of the Governing Body shall, at any time summon a meeting of the Governing Body. It shall not be necessary to give notice of a meeting of the Governing Body to any member of the Governing Body for the time being absent from Hong Kong SAR.
53. The quorum necessary for the transaction of the business of the Governing Body may be fixed by the Governing Body, and unless so fixed shall be three.
54. The continuing members of the Governing Body may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles of the Foundation as the necessary quorum of the Governing Body, the continuing members of the Governing Body or member may act for the purpose of increasing the number of members of the Governing Body to that number, or of summoning a general meeting of the Foundation, but for no other purpose.
55. The Governing Body may elect a chairman of its meetings and determine the period for which he is to hold office provided such period does not exceed two years; but, if no such chairman is elected, or if at any meeting the chairman is not present within 5 minutes after the time appointed for holding the same, the members of the Governing Body present may choose one of their number to be chairman of the meeting.
56. The Governing Body may delegate any of its powers to committees consisting of such member or members of their body or other persons as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Governing Body.
57. A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within 5 minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of

the meeting.

58. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.
59. All acts done by any meeting of the Governing Body or of a committee of the Governing Body, or by any person acting as a member of the Governing Body, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member of the Governing Body or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Governing Body.
60. A resolution in writing, signed by all the members of the Governing Body for the time being entitled to receive notice of a meeting of the Governing Body, shall be as valid and effectual as if it had been passed at a meeting of the Governing Body duly convened and held.

Secretary

61. Subject to Article 4, a secretary shall be appointed by the Governing Body for such term, at such remuneration and upon such conditions as it considers fit; and any secretary so appointed may be removed by it.
62. A provision of the Ordinance or these Articles requiring or authorizing a thing to be done by or to a member of the Governing Body and the secretary shall not be satisfied by its being done by or to the same person acting both as member of the Governing Body and as, or in place of the secretary.

The Seal

63. The Governing Body shall provide for the safe custody of the seal, which shall only be used by the authority of the Governing Body or of a committee of the Governing Body authorized by the Governing Body in that behalf; and every instrument to which the seal shall be affixed shall be signed by a member of the Governing Body and shall be countersigned by the secretary or by a second member of the Governing Body or by some other person appointed by the Governing Body for the purpose.

Accounts

64. The Governing Body shall cause proper books of account to be kept with respect to: -
 - (a) all sums of money received and expended by the Foundation and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Foundation; and

- (c) the assets and liabilities of the Foundation.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Foundation's affairs and to explain its transactions.

65. The books of account shall be kept at the registered office of the Foundation, or, subject to section 370 of the Ordinance, at such other place or places as the Governing Body thinks fit, and shall always be open to the inspection of the Governing Body.
66. The Governing Body shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Foundation or any of them shall be open to the inspection of members not being members of the Governing Body, and no member (not being a member of the Governing Body) shall have any right of inspecting any account or book or document of the Foundation except as conferred by statute or authorized by the Governing Body or by the Foundation in general meeting.
67. The Governing Body shall from time to time in accordance with sections 375 and 380 of the Ordinance, cause to be prepared and to be laid before the Foundation in general meeting such income and expenditure accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
68. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Foundation in general meeting, together with a copy of directors' report and a copy of the auditor's report, shall not less than 14 days before the date of the meeting be sent to every member of and every holder of debentures of the Foundation. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Foundation is not aware or to more than one of the joint holders of any debentures.

Audit

69. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Ordinance.

Notices

70. (a) Subject to these Articles, anything sent or supplied by or to the Foundation under these Articles may be sent or supplied in any way in which Part 18 of the Ordinance provides for documents or information to be sent or supplied by or to the Foundation for the purposes of the Ordinance.
- (b) Subject to these Articles, any notice or document to be sent or supplied to a member of the Governing Body in connection with the taking of decisions by members of the Governing Body may also be sent or supplied by the means by which that member of the Governing Body has asked to be sent or supplied with such a notice or document for the time being.

- (c) A member of the Governing Body may agree with the Foundation that notices or documents sent to that member of the Governing Body in a particular way are to be deemed to have been received within a specified time, and for the specified time to be less than 48 hours.

71. Notice of every general meeting shall be given in any manner hereinbefore authorized to:-

- (a) every member; and
- (b) the auditors for the time being of the Foundation.

No other person shall be entitled to receive notices of general meetings.

Indemnity

72. Every member of the Governing Body, agent, auditor, secretary and other officer for the time being of the Foundation shall be indemnified out of the assets of the Foundation against any liability incurred by him in relation to the Foundation in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under sections 902 to 904 of the Ordinance in which relief is granted to him by the courts.