

Company Number: 150976

ARTICLES OF ASSOCIATION

OF

WINDSURFING ASSOCIATION OF HONG KONG

香港滑浪風帆會

Incorporated on the 10th day of May, 1985

(As adopted on [29] October, 2020)

THE COMPANIES ORDINANCE (CHAPTER 622)

*Company Limited by Guarantee
and not having a Share Capital*

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DEFINITIONS

In both Part A and Part B of the Articles of Association, unless there be something in the subject or context inconsistent therewith:-

“annual general meeting” means the annual general meeting of the Members.

“Articles of Association” means the articles of association of the Association as amended, supplemented or otherwise modified from time to time.

“Association” means the company registered as “Windsurfing Association of Hong Kong”.

“Bye-laws” means the bye-laws of the Association as amended, supplemented or otherwise modified from time to time.

“Chairman” means the chairman of the General Committee.

“Companies Ordinance” means the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, including the related subsidiary legislation, as amended, supplemented or otherwise modified from time to time.

“General Committee” means the general committee for the time being of the Association and the members of the General Committee shall be deemed to be a “director” of the Association for the purpose of the Companies Ordinance.

“general meeting” means a general meeting of the Members specially summoned, not being an annual general meeting or its adjournment or postponement.

“HK\$” means Hong Kong dollars, the legal currency in Hong Kong.

“HKICPA” means the Hong Kong Institute of Certified Public Accountants.

“Hong Kong” means The Hong Kong Special Administrative Region.

“in writing” means written or printed or partly printed.

“Member” means a member of the Association.

“month” means a calendar month.

“office” means the office for the time being of the Association.

“Registrar” means the Registrar of Companies appointed under Section 21(1) of the Companies Ordinance.

“seal” means the common seal for the time being of the Association

“secretary” means the company secretary for the time being of the Association.

Words importing:

- (i) the singular number only shall include the plural and the converse shall also apply; and
- (ii) the masculine gender shall include the feminine gender.

PART A: MANDATORY ARTICLES

1. The name of the Association is “**Windsurfing Association of Hong Kong** 香港滑浪風帆會”.
2. The objects for which the Association is established are:-
 - (a) to do all acts and things to, without limitation, regulate, govern, promote, develop and maintain the interest of windsurfing in Hong Kong, the Asia-Pacific region and internationally;

- (b) to represent the interest of the professional and amateur players of windsurfing in Hong Kong;
- (c) to arrange, organize, regulate and manage local, regional, Asian or international matches, championships and competitions of windsurfing;
- (d) to safeguard the sport of windsurfing and maintain the rules and regulations of the Association in Hong Kong;
- (e) to nurture, develop and train athletes in Hong Kong for participation in the local, regional, Asian and international matches, championships and competitions of windsurfing;
- (f) to become a member of any recognized regional, Asian or international federation of windsurfing; and
- (g) to do all such other acts and things as are incidental or conducive to the attaining the objects of the Association, which include but are not limited to the following:
 - (i) to promote and encourage all forms of windsurfing and all activities connected therewith;
 - (ii) to develop, improve and utilise any land, building or premises acquired by the Association for any of the objects of the Association;
 - (iii) to build, fit out and furnish and maintain club premises whether on land or afloat and to provide for all facilities which in the opinion of the General Committee may be conducive to the interests of the Association, including providing facilities for the building, repairing, servicing, handling, mooring and storage of windsurfing boards and equipment, boats, yachts, launches or other vessels;
 - (iv) to purchase, hire or otherwise acquire any equipment necessary for windsurfing or any chattels and things which in the opinion of the General Committee may be necessary or advantageous for managing, conducting and carrying on the activities of the Association;
 - (v) to manage, conduct and carry on the activities of the Association for the comfort and convenience of its members and visitors;
 - (vi) to borrow any moneys required for the purposes of the Association upon such securities as may be determined and especially by the issue of bonds, debentures or other obligations or securities or by mortgage or charge of all or any part of the property of the Association for the attainment of the objects of the Association;

- (vii) to purchase such books, pamphlets, leaflets, manuscripts, reports, magazines, newspapers, periodicals, films, microfilms, recordings, videotapes, pictures, maps and other documents in printed, digital, electronic or other form as the Association may at any time and from time to time deem expedient;
- (viii) to further the above-mentioned objects or any of the them by the making of grants and contributions to any existing association, club, society, institution or body of persons having similar objects and the memorandum and articles of association (“M&A”), bye-laws or constitution of such associations, clubs, societies, institutions or bodies of persons shall prohibit the distribution of their income and property amongst their members to an extent at least as great as imposed on the Association under Article 3 hereof;
- (ix) to acquire or obtain from any governmental authority or from any corporation, company, association or person or other entity such charters, franchises, licenses, rights, privileges, assistance, financial or otherwise, and concessions as are conducive to and necessary for the attainment of any of the objects of the Association;
- (x) to receive and acquire from any person, firm or entity by donation, grant, exchange, devise bequest, purchase or lease, either absolutely or in trust, contributions consisting of such properties, real or personal, including funds or valuable effects, as may be useful or necessary to carry out the objects of the Association, and to hold, own, operate, use or dispose of such properties or valuable effects for the attainment of the objects of the Association;
- (xi) to engage and authorize the engagement of such persons, firms or entities as are deemed necessary to any of the operations of the Association;
- (xii) to organize and arrange windsurfing competitions, conventions, training schemes, conferences, meetings, seminars, webinars, workshops, exhibitions, demonstrations, displays, shows and gatherings of any kind whatsoever;
- (xiii) to undertake publicity and disseminate material and information on any matter relating to the activities of the Association to any person, firm, entity, corporation, company or section of the public;
- (xiv) generally to promote, encourage and provide for the public and private furtherance and advancement of the objects of the Association by all means as shall be deemed fit;
- (xv) to make known, by way of advertisement or in any other way, the objects of the Association or any analogous activities, causes or projects which it may desire to sponsor or support;

- (xvi) to enter into any transaction, arrangement or contract with any governments or authorities, supreme, municipal, local or otherwise or with any person, firm, entity, corporation or company that may seem conducive to any of the objects of the Association and to obtain from any such government, authority, person, firm, entity, corporation or company any rights, privileges and concessions which the Association may think desirable to obtain and to manage, conduct, carry out, exercise and comply with any such transactions, arrangements, contracts, rights privileges and concessions;
- (xvii) to obtain any order in council, enactment or ordinance for enabling the Association to carry any of its objects into effect or for effecting any amendment to or modification or substitution of the articles of association, bye-laws or constitution of the Association or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Association and its members as a whole;
- (xviii) to establish, promote or assist in establishing or promoting and to subscribe to or become a member of, any other association, club, society, institution or body whose objects are similar in whole or in part to the objects of the Association in Hong Kong or any part of the world or the establishment or promotion of which may be beneficial to the Association, provided that no subscription shall be paid to any such other association, club, society, institution or body out of the funds of the Association except bona fide in furtherance of the objects of the Association;
- (xix) to support and subscribe to any charitable or public body and any institution, society, club or association which may be for the benefit of the furtherance and practical application of the objects of the Association generally provided that the M&A, bye-laws or constitution of such charitable or public body and institution, society, club or association shall prohibit the distribution of their income and property amongst their members to an extent at least as great as imposed on the Association under Article 3 hereof; subject to Article 3 hereof, to give gratuities or charitable aid to any persons not being or having been a member of the General Committee, who may have served the Association or have been connected with the Association's activities or to the spouse, widow/widower, children or other relatives of any such person; subject to Article 3 hereof, to make payments towards insurance and to form and contribute to pension, retirement, provident and benefit funds for the benefit of any persons employed by the Association not being or having been a member of the General Committee;
- (xx) to take such steps by personal or written appeals, public meetings or otherwise, as may from time to time be deemed expedient for the purpose of procuring contributions to the funds of the Association in the shape of donations, annual subscriptions or otherwise;
- (xxi) to prepare and publish any reports, pamphlets, manuscripts, newspapers, magazines, periodicals, books,

leaflets, films, microfilms, recording, videotapes, pictures, maps or other documents in printed, digital, electronic or other form which the Association may think desirable for the promotion of its objects;

- (xxii) to undertake and execute any trusts which may seem directly conducive to any of the objects of the Association;
- (xxiii) to amalgamate with or acts as agent for any companies, bodies, institutions, societies, clubs or associations having objects altogether or in part similar to those of the Association and the M&A, bye-laws or constitution of such companies, bodies, institutions, societies, clubs or associations shall prohibit the distribution of their income and property amongst their members to an extent at least as great as imposed on the Association under Article 3 hereof;
- (xxiv) to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, bodies, institutions, societies, clubs or associations with which the Association is authorized to amalgamate under sub-article (xxiii) above so far as the laws of Hong Kong or any other country or place may from time to time allow;
- (xxv) to transfer all or any part of the property, assets, liabilities and engagements of the Association to any one or more of the companies, bodies, institutions, societies, clubs or association with which the Association is authorized to amalgamate under sub-article (xxiii) above;
- (xxvi) subject to Article 3 hereof, to repay or refund to persons who have advanced or subscribed money for the purpose of meeting the expenses of managing, conducting or carrying on the activities of the Association to be incurred as aforesaid the amount of the money so advanced or subscribed by them;
- (xxvii) to do all or any of the above things by or through agents or contractors or otherwise and either alone or in conjunction with others;
- (xxviii) to procure the Association to be registered or recognized in any foreign country or place and to do all or any of the above things in any part of the world;
- (xxix) to establish, promote or assist in establishing or promoting and to subscribe to or become a member of or amalgamate with any other associations, clubs, societies, institutions or bodies whose objects are similar in whole or in part to the objects of the Association, or the establishments or promotion of which may be beneficial to the Association provided that the Association shall not support with its funds any association, club, society, institution or body which pays or transfers, directly or indirectly, its income and property, or any part thereof, by way of dividend, bonus, distribution or otherwise howsoever by way of dividend, bonus,

distribution or otherwise howsoever by way of profit to its members;

(xxx) subject to Article 3 hereof, to support and subscribe to any charitable or public body and any institution, society, club or association which may be for the benefit of the Association not being or having been a member of the General Committee or its employees; subject to Article 3 hereof, to give gratuities, or charitable aid to any person who may have served the Association or to the spouse, widow/widower, children or other relatives of such persons; and subject to Article 3 hereof, to make payments towards and to form and contribute to pension, retirement, provident and benefit funds for the benefit of any person employed by the Association; and

(xxxi) to do all such other lawful things as are incidental or conducive to the attainment of the above objects,

Provided that:-

- (a) In case the Association shall take or hold any income or property which may be subject to any trusts, the Association will only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
 - (b) The objects of the Association shall not extend to the regulation of relations between workers and employers or organizations of workers and organizations of employers.
3. (i) The income and property of the Association, whencesoever derived, shall be applied solely towards the promotion of the objects of the Association as set forth in these Mandatory Articles of the articles of association of the Association.
- (ii) Subject to sub-articles (iv) and (v) below, no portion of the income and property of the Association shall be paid or transferred directly or indirectly, by way of dividend, bonus, distribution or otherwise howsoever, to the members of the Association.
- (iii) No member of the General Committee or the governing body of the Association shall be appointed to any salaried office of the Association, or any office of the Association paid by fees and no remuneration or other benefit in money or money's worth (except as provided in sub-article (v) below) shall be given by the Association to any member of the General Committee or the governing body of the Association.
- (iv) Nothing herein shall prevent the payment, in good faith, by the Association of reasonable and proper remuneration to any officer or servant of the Association, or to any Member not being a member of the General Committee or the governing body of the Association in return for any services actually rendered to the Association.

- (v) Nothing herein shall prevent the payment, in good faith, by the Association:-
- (a) to any Member or member of the General Committee or the governing body of the Association of out-of-pocket expenses and disbursements;
 - (b) of interest on money lent by any Member or member of the General Committee or the governing body of the Association 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 rent for premises leased or let to the Association by any Member or member of the General Committee or the governing body of the Association Provided that the rent and other terms of the lease or letting must be reasonable and proper and such Member or member must not attend or participate in that meeting at which such a proposal or the rent or other terms of the lease or letting is/are under discussion; or
 - (d) of remuneration or other benefit in money or money's worth to a body corporate in which a Member or member of the General Committee or the governing body of the Association 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.
- (vi) No person shall be bound to account for any benefit he may receive in respect of any payment properly paid in accordance with sub-articles (iv) and (v) above.

4. The liability of each of the Members is limited.
5. Every Member undertakes to contribute to the assets of the Association in the event of the same being wound up while he is a Member or within one year thereafter, for payment of the debts and liabilities of the Association contracted before the time at which he ceases to be a Member, and the costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding One Hong Kong Dollar.
6. If upon the winding up of the Association 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 Association, but shall be given or transferred to some other association(s), club(s), society(ies), body(ies) or institution(s) having objects similar to the objects of the Association, 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 Association under or by virtue of Article 3 hereof and this Article, such association(s), club(s), society(ies), body(ies) or institution(s) to be determined by a resolution of the Members at or before the time of dissolution and in default thereof by a judge of the High Court of Hong Kong having jurisdiction in the matter (the "**Judge**"), and if and so far as effect cannot be given to the aforesaid provision then to some charitable object as directed by the Judge.

7. True accounts shall be kept of the sums of money received and expended by the Association and the matters in respect of which such receipts and expenditure take place, and of the property, credits and liabilities of the Association 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 Association for the time being in force, the same shall be opened to the inspection of the Members. Once at least in every year the accounts and financial statements of the Association shall be examined, and the correctness of the statement of financial position ascertained by one or more independent auditor or auditors authorized by the General Committee or the governing body of the Association.

The founder members (formerly known as initial subscribers when registering the Association in May 1985) of the Association were as follows:

Names and Descriptions of Founder Members
ANSON SO SUM YAU (蘇森友) Electronic Engineer
ANDREW HUNTER Civil Engineer
KEN CHOI LEE KEUNG (蔡利強) Company Director
HARTWIG HOLTZ Company Director
MICHAEL OGDEN Foreign Currency Deposit Unit Manager
CLIVE DEREK CONWAY LOUIS RIGBY Executive Director
LAM WAI MAN (林偉文) Clerk

Part B OTHER ARTICLES

PRELIMINARY

1. The Association is established for the purposes expressed in Part A – Mandatory Articles of the Articles of Association. The Articles of Association and the Bye-laws shall together form the rules of the Association.

NUMBER OF MEMBERS

2. For the purpose of registration on 10th May, 1985, the Association was declared to consist of 500 Members but the General Committee may, when it thinks fit, register an increase of Members. Currently, the Association has over 1,100 Members.

MEMBERSHIP

3. A. APPLICATION AND REJECTION

- (1) Every application for membership of the Association (except for the Honorary members as described below) shall be made in writing, signed by the applicant in such form as the General Committee shall from time to time prescribe or approve and the General Committee shall have the sole and an absolute discretion to accept or reject any application and to decide in which class of membership an applicant is to be admitted. The General Committee's decision shall be final and conclusive.
- (2) In the event of rejection of an application for membership, the General Committee shall not be required to give any reasons.

B. CLASSES OF MEMBERSHIP

The membership of the Association shall consist of:-

(a) ordinary members; (b) cadet members; (c) affiliated members; (d) honorary members; and (e) life members.

(1) ORDINARY MEMBERS:-

- (i) An ordinary member shall be a Member who has been duly accepted as such, and who has paid the entrance fee and annual subscription of the Association.
- (ii) Membership is open to anyone having a direct or an indirect interest in the achievement of the objects of the Association.
- (iii) Each ordinary member must attain the age of 18 or above.

(2) CADET MEMBERS:-

- (i) A cadet member shall be a Member who has been accepted as such, and who has paid the annual subscription of the Association.
- (ii) Cadet members must be under the age of 18. The individual lower age limit shall be at the sole discretion of the General Committee.
- (iii) The application for membership shall be countersigned by the applicant's parent or guardian and it shall be a condition precedent to acceptance that he shall sign a declaration absolving the Association from all liability for accidents.

(3) AFFILIATED MEMBERS:-

- (i) Any other associations, clubs, societies, institutions or bodies having an interest in windsurfing may apply to the General Committee for becoming affiliated members.
- (ii) No individual person may become an affiliated member.
- (iii) The rights of affiliated members are limited to the use of the Association's facilities for their organized practice, which shall be subject to prior arrangements with the Association and the payment of a fee as may from time to time determined by the General Committee.

(4) HONORARY MEMBERS:-

- (i) Any person who has or shall have signal contribution to the Association may on the invitation of the General Committee become an Honorary President, Honorary Vice President, Honorary Adviser or Honorary Member of the Association without any payment of entrance fee or annual subscription for such honorary membership.
- (ii) Every Honorary President, Honorary Vice President, Honorary Adviser or Honorary Member shall be entitled to all the privileges and be subject to all the duties of a Member during his life or for a period as specified by the General Committee in the invitation (subject, nevertheless, to the provisions of articles E(1) to E(8) hereof) provided always that an Honorary President, Honorary Vice President, Honorary Adviser or Honorary Member does not have any voting right at the annual general meetings or general meetings and is not eligible for election as an officer or other member of the General Committee.
- (iii) Every honorary member must attain the age of 18 or above.

(5) LIFE MEMBERS:-

- (i) A life member shall be a Member who has been duly accepted as such, and who has paid the entrance fee and life membership fee of the Association.
- (ii) Life membership is open to any person having an interest, whether direct or indirect, in the achievement of the objects of the Association.

- (iii) Every life member must attain the age of 18 or above.

C. FEES

- (1) All ordinary members shall be liable to pay on application for membership an entrance fee of HK\$150.00 each. All affiliated members shall be required to pay on approval of membership an entrance fee of HK\$300.00 each.

- (2)
 - (i) Subject to the exception as provided in article 3C(2)(iii) below, any person shall, on application to become a life member, be required to pay an entrance fee of HK\$150.00 and a once-and-for-all life membership fee of HK\$2,000.00.
 - (ii) A life member who has duly paid the entrance fee and life membership fee as described in article 3C(2)(i) above shall not be liable to pay any further membership fees or annual subscriptions to remain a life member of the Association.
 - (iii) An ordinary member or a cadet member of the Association on attaining the age of 18 may apply to become a life member of the Association upon payment of the life membership fee and upon fulfillment of the necessary procedures as may be announced by the General Committee from time to time. An ordinary member or a cadet member shall not be required to pay any entrance fee to become a life member of the Association.
 - (iv) No part of the annual subscription paid by an ordinary member or a cadet member at any time of his membership shall be taken as a deduction from or a credit against the amount of life membership fee payable by him on application to become a life member.

- (3)
 - (i) A cadet member of the Association on attaining the age of 18 may also apply to become an ordinary member upon payment of the annual subscription fee and upon fulfillment of the necessary procedures as may be announced by the General Committee from time to time. A cadet member shall not be required to pay any entrance fee to become an ordinary member of the Association.
 - (ii) No part of the annual subscription paid by a cadet member at any time of his membership shall be taken as a deduction from or a credit against the amount of annual subscription payable by him on application to become an ordinary member.

- (4) Upon joining the Association and thereafter on 1st June each year, a Member is required to pay an annual subscription (subject to the annual review of the General Committee) as follows:-
 - (i) HK\$200.00 by each ordinary member;
 - (ii) HK\$150.00 by each affiliated member which does not have more than one thousand individual or other members; and

- (iii) HK\$1,000.00 by each affiliated member which has more than one thousand individual or other members.

Members who do not renew their subscriptions by 1st June each year shall thereby be deemed to have voluntarily suspended their membership until payment of the annual subscription in arrears. Ordinary members and affiliated members joining after 31st December will pay half of their subscription fee for part of the subscription year remaining.

- (5) Each cadet member (age under 18) will pay an annual subscription of HK\$100.00.
- (6) Any Member who leaves Hong Kong shall remain a Member until the last day of the Association's financial year (which ends on 31st March) in which he leaves. After such time, he may become an absent member on payment of an absent member's fee of HK\$10.00 or such fee as the General Committee may from time to time decide.
- (7) The General Committee shall fix and may from time to time alter the amount of the entrance fee, annual subscription, life membership fee or fee of any other description not specified in articles 3C(1) to 3C(6) and may decide the time and method of payment of these fees as it thinks necessary and appropriate. Any decision by the General Committee under this clause shall be endorsed and approved in an annual general meeting or a general meeting.

D. OTHER RULES RELATING TO MEMBERS

- (1) The rights and privileges of a Member shall be personal to himself; they shall not be transferable by his own act or by operation of law and shall cease upon his death or upon his ceasing from any cause to be a Member under the provisions of these articles or the Bye-laws.
- (2) Any Member may withdraw membership from the Association by giving seven calendar days' notice in writing addressed to the secretary.
- (3) Any person who shall for any cause cease to be a Member shall, nevertheless, remain liable for and shall pay to the Association all moneys which at the time of his ceasing to be a Member shall be due from him to the Association.
- (4) All Members shall give due notice to the secretary of any change in the address to which notices and letters shall be sent. All notices and letters sent by post or otherwise to the last address given by the Member shall be considered as duly received by him. It shall not be necessary to send notices to a Member for the time being absent from Hong Kong.

E. EXPULSION OF MEMBERS

- (1) If any Member violates any provision of the Articles of association or the Bye-laws or if his conduct in or out of the Association's premises shall in the opinion of the General Committee or of any ten Members (who shall certify the same in writing to the General Committee) be injurious to the character or interests of the Association or be detrimental to the reputation of the Association, it shall be the duty of the General Committee to invite the Member complained of to give an explanation by letter of his conduct and appear before a meeting of the General Committee convened to consider his case.
- (2) If the General Committee is not satisfied with the explanation of the conduct offered by the Member complained of, it shall call upon such Member to resign, and should he not do so within two weeks, his name shall, subject to article E8 hereof, be removed from the list of Members and he shall thereupon cease to be a Member, provided always that the decision calling upon him to resign shall be supported by at least two-thirds of the members of the General Committee present at such meeting.
- (3) The General Committee shall on the written requisition of the Member affected by its decision under the preceding article convene a general meeting for the purpose of reviewing its decision provided that the requisition shall be signed by at least ten other Members and deposited with the secretary within fourteen days following the decision of the General Committee under the preceding article calling upon such Member to resign his membership of the Association.
- (4) The General Committee may, if it considers the case sufficiently grave, without giving the Member complained of the option of his resigning from membership of the Association, immediately by written notice to the Member suspend him from the use of the Association's facilities pending investigation of his conduct by the General Committee.
- (5) The General Committee may, after enquiry and notice given, instead of calling upon a Member to resign, suspend the Member whose conduct is in question from the use of the Association's facilities and all his privileges for a period not exceeding six months.
- (6) The General Committee may in all cases reconsider its own determination of expulsing a Member upon being requested to do by notice in writing signed by any ten Members.
- (7) When a Member resigns his membership of the Association at the request of the General Committee, his annual subscription for the current year shall be forfeited.
- (8) A member of the General Committee shall not act as a member of the General Committee at any of its meeting

(e.g. attending, speaking or voting) at which his own conduct is in question or at any meeting to be held to investigate any case in which he is a complainant.

GENERAL COMMITTEE

4. (1) The management of the affairs and business of the Association shall be vested in the General Committee which may pay all the expenses incurred in conducting and carrying on the affairs and business of the Association and may exercise all such powers and do all such acts and things as the Association is by the Articles of Association or otherwise authorized to exercise and do and are not hereby or by the Companies Ordinance required to be exercised or done by the Association in annual general meeting or general meeting but subject, nevertheless, to the provisions of the Companies Ordinance and of these articles and to any rules or regulations (not being inconsistent with these articles) from time to time made by the Association in annual general meeting or general meeting; provided that no such rules or regulations shall invalidate any prior act of the General Committee, which would have been valid if such rules or regulations had not been made.

Composition

- (2) The subscribers to the memorandum of association of the Association registered on 10 May, 1985 were the first members of the General Committee. They held office until the close of the first annual general meeting. At the first meeting of the General Committee, the first members elected the officers of the Association from among themselves. Currently, ordinary members and life members elect the officers of the Association and other members of the General Committee at the annual general meetings.
- (3) The officers of the Association (who must be ordinary members or life members) shall be:-

President

Vice President

Secretary

Treasurer

- (4)(a) The General Committee shall consist of the officers of the Association, the fleet captains and if appropriate, other members, all of whom shall be elected once every two years at the annual general meeting. They shall hold office from the next day of the annual general meeting at which they are elected until the day of the next annual general meeting two years later. The number of the members of the General Committee may be increased or decreased from time to time by the Association in annual general meeting or general meeting by an ordinary resolution provided that the number shall not be more than twenty or less than nine.

- (b) The Chairman shall be the President or in his absence, the Vice President, who shall chair each meeting of the General Committee. In the absence of these persons, a chairman shall be elected at each meeting from the members present.

Election of General Committee Members

- (5) The election of members of the General Committee and the fleet secretaries at an annual general meeting shall be conducted in the following manner:-
 - (a) seconded by any two Members (who must be ordinary members or life members), any two other Members (who must be ordinary members or life members) may propose any number of candidates (who must be ordinary members and life members (including fleet captains) of the Association) by notice in writing to the secretary at least seven clear days before the meeting.
 - (b) the secretary shall announce at the meeting the names of the candidates and of their proposers and seconders.
 - (c) a balloting list containing the names of all duly qualified candidates shall be issued to all ordinary members and life members or their respective proxies present at the meeting.
 - (d) (i) every ordinary member and life member of the Association or their respective proxies present at the meeting shall be entitled to vote for as many candidates as there are vacancies of the officers of the Association or other members of the General Committee (not being the fleet captains) to be filled; and (ii) the positions of fleet captain and fleet secretary shall be voted by the ordinary members and life members who usually sail in the respective fleets or by their respective proxies.
 - (e) each ordinary member or life member or his proxy present in the meeting shall have one vote and candidates up to the number of vacancies who shall receive most votes in each group shall be declared elected and in the case of two or more candidates receiving an equal number of votes, the chairman of the meeting shall have a second or casting vote.

Proceedings of the General Committee's Meetings

- (6) The General Committee may meet together for the dispatch of business, adjourn and otherwise regulate its meetings and business as it may think fit. Meetings of the General Committee may be convened on the request of the Chairman or by requisition in writing signed by two members of the General Committee stating the purposes for which such meetings are to be convened and forwarded to the secretary. A member of the General Committee who is absent abroad shall not be entitled to notice of a meeting.
- (7) The quorum necessary for the transaction of the business of the General Committee shall be five members of the General Committee personally present throughout the length of the meeting.
- (8) Questions arising at any meeting of the General Committee shall be decided by a majority on a show of hands and in case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
- (9) The continuing members of the General Committee may act notwithstanding any vacancy in that body but if and so long as their number is reduced below the number fixed by or pursuant to these articles as the necessary quorum of members, the continuing members of the General Committee may act for the purpose of (a) filling up vacancies in their body or (b) summoning a general meeting of the Association, but for no other purpose.
- (10) The General Committee may, if it thinks fit, transact any of the business by the circulation of papers, and a resolution in writing approved by all of the members thereof in Hong Kong shall be as valid and effectual as if it had been passed at a meeting of the General Committee.
- (11) A member of the General Committee may not receive any salary or remuneration, but subject to Article 3 in Part A – Mandatory Articles of the Articles of Association, he may in exceptional circumstances and by the approval of the General Committee be reimbursed out of the funds of the Association in respect of travelling and other expenditure reasonably and properly incurred in and about the affairs and business of the Association.
- (12) A meeting of the members of the General Committee for the time being at which a quorum is present shall be competent to exercise all the authorities, powers and discretion by or under these articles for the time being vested in the General Committee generally.

General Committee's Sub-committees

- (13) (a) The General Committee may, from time to time, appoint such sub-committee as it considers necessary for securing the efficient discharge of its functions, and may delegate to any such sub-committees any of its powers and duties PROVIDED THAT no delegation made hereunder shall preclude the General

Committee from exercising, performing or resuming at any time any of the powers and duties so delegated.

- (b) Any Member (other than a cadet member) may be appointed a member of any such sub-committee notwithstanding that he is not a member of the General Committee.
 - (c) Any sub-committee so appointed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the General Committee.
- (14) All acts done by any meeting of the General Committee or a sub-committee thereof or by any person acting as a member of the General Committee or sub-committee shall, notwithstanding it is afterwards discovered that there was some defect in the appointment of any such member of the General Committee or sub-committee 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 or was qualified to be a member of the General Committee or sub-committee.
- (15) Any casual vacancy occurring in the General Committee by reason of death, resignation or otherwise may be filled by the General Committee, but the person so chosen shall be subject to the same conditions as to tenure of office as his predecessor. If the Association has dispensed with the holding of annual general meetings or is not required to hold annual general meetings, the person so chosen must retire from office before the end of nine months after the end of the Association's accounting reference period by reference to which the financial year in which the director was appointed is to be determined.
- (16) The General Committee shall cause proper minutes to be made in the books of proceedings of the Association provided for the purpose of:-
- (a) all appointments of sub-committee made by the General Committee;
 - (b) the names of the members present at each meeting of the General Committee and any sub-committee thereof; and
 - (c) all resolutions and proceedings at all meetings of the Association; and of the General Committee and any sub-committee thereof.

and every member present at any meeting of the General Committee or sub-committees shall sign his name in a book to be kept for that purpose.

Disqualification of Members of the General Committee

- (17) The office of a member of the General Committee shall be vacated if:-
- (a) he becomes bankrupt or makes a composition or scheme or arrangement with his creditors;
 - (b) he is found lunatic or becomes of unsound mind;
 - (c) he resigns his office by notice in writing to the Association in accordance with Section 464(5) of the Companies Ordinance;
 - (d) he is directly or indirectly interested in any contract, arrangement or transaction with the Association but fails to disclose the nature of his interest in the manner required by Sections 536 to 538 and 542 of the Companies Ordinance;
 - (e) he ceases to be an ordinary member or a life member of the Association;
 - (f) he is absent from the meetings of the general committee for six consecutive months without the approval of the President or in his absence, the Vice President;
 - (g) he passes away;
 - (h) he is convicted of any criminal offence; or
 - (i) he is removed from the office by an ordinary resolution of the Members.

Conflicts of Interest

- (18) Subject to Clause 3 of Part A - the Mandatory Articles of the Articles of Association, a member of the General Committee shall not vote in respect of any contract, arrangement or transaction in which he is interested or any matter arising therefrom, and if he does so, his vote shall not be counted. A reference in this article (18) and article 17(d) to a transaction, arrangement or contract includes a proposed transaction, arrangement or contract.

Administrative Staff

- (19) The General Committee may appoint any administrative staff of the Association at such remuneration and upon such conditions as it may see fit and any staff so appointed may be removed by it.

ANNUAL GENERAL MEETINGS AND GENERAL MEETINGS

5. (1) Subject to the provisions of the Companies Ordinance, an annual general meeting shall be held once in every calendar year at such time at such place as may be determined by the general committee provided that it must be held within nine months after the financial year end date of the Association. The business to be conducted at the annual general meeting shall be:-
- (a) receiving of the report of the General Committee covering the activities of the Association during the preceding financial year;
 - (b) consideration and adoption of the audited financial statements;
 - (c) appointment of members (including officers) of the General Committee;
 - (d) appointment of independent auditors and fixing of their remuneration; and
 - (e) any other business of which notice in writing has been given to the secretary not less than fourteen days prior to the date of the meeting.
- (2) All other meetings of the Members shall be called general meetings.
- (3) The General Committee may, whenever they think fit, convene a general meeting and general meetings shall also be convened on the requisition of not less than five per cent of the total number of the members having the right to vote or such requisitionists as provided under Sections 566 to 568 of the Companies Ordinance.

Notice of Annual General Meeting and General Meetings

- (4) Subject to the provisions of Section 571 of the Companies Ordinance, 21 days' notice in writing has to be given in case of the annual general meeting and in case of a meeting other than an annual general meeting, 14 days' notice in writing has to be given. The notice shall be specifying the place, the day and the hour of the meeting and in the case of special business the general nature of that business shall be given to such persons as are, under the regulations of the Association, entitled to receive such notice from the Association. Provided that a meeting of the Association 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 at the meeting; 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.
- (5) The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any Member shall not invalidate the proceedings at any meeting.

Proceedings at Annual General Meeting and General Meetings

- (6) All business shall be deemed special that is transacted at a general meeting and all that is transacted at an annual general meeting, with the exception of the consideration and adoption of the financial statements (including the statement of financial position) and the reports of the General Committee and independent auditors, the election of members of the General Committee as well as the appointment of the independent auditors and the fixing of their remuneration.
- (7) No business shall be transacted at any annual general meeting or general meeting unless a quorum of Members who are entitled to vote thereat is present in person or by proxy throughout the meeting when the meeting proceeds to business, and such quorum shall consist of not less than 25 of the above Members.
- (8) 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 who are entitled to vote at general meetings shall be dissolved and in any other case, it shall stand adjourned to the same day in the next week at the same time and place, and if at the adjourned meeting a quorum is not present, all Members present who are entitled to vote thereat shall be a quorum.
- (9) The President and in his absence, the Vice President shall preside as chairman at every annual general meeting and general meeting. If at any meeting the President and the Vice President shall not be present within 15 minutes after the time appointed for holding the meeting, or if they shall have previously notified the Association of their intention of not being present, one of the members of the General Committee present shall preside, or if no member of the General Committee is present or willing to take the chair, the Members present who are entitled to vote shall choose one of their number to preside.
- (10) The chairman of any annual general meeting or general meeting may with the consent of such 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 ten days or more, notice of the adjourned meeting shall be given in the manner provided by article 5(4) of this part of the Articles of Association. Save as aforesaid, it shall not be necessary to give any notice of an adjournment of the business to be transacted

at an adjourned meeting.

- (11) At any annual general meeting or general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, and a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the book of proceedings of the Association shall be conclusive evidence of the fact, without proof, of the number or proportion of the votes recorded in favour of or against that resolution.
- (12) In the case of an equality of votes, the chairman of the meeting shall be entitled to a second or casting vote.
- (13) Every ordinary member and every life member present in person at the meeting shall have one vote.
- (14) Every proxy (having been duly appointed by an ordinary member or a life member of the Association entitled to vote, who has properly lodged the proxy notice with the Association in the manner as required by the General Committee and in accordance with the provisions of the Companies Ordinance) present at the meeting shall have one vote.

PROXY AND PROXY NOTICES

6. (1) Each of the ordinary members and life members is entitled to appoint a proxy to attend and vote in his stead at any annual general meeting or general meeting. A proxy must be an ordinary member or a life member, who may or may not be the chairman of such meeting.
- (2) Subject to the provisions of the Companies Ordinance, the General Committee may in its sole discretion determine the form, contents, authentication and lodgment / delivery of the proxy notices.

ACCOUNTS

7. (1) The General Committee shall cause proper books of account to be kept and financial statements to be prepared with respect to:
 - (a) all sums of money received and expended by the Association and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Association; and
 - (c) the assets and liabilities of the Associationprovided that proper books and financial statements shall not be deemed to be kept and prepared if there are not kept and prepared such books of account and financial statements as are necessary to give a true and fair view of the state of the Association's affairs and to explain its transactions.

- (2) The books of account shall be kept at the registered office of the Association or subject to Section 374 of the Companies Ordinance at such other place or places as the General Committee think fit, and shall always be open to the inspection of the members of the General Committee. All receipts shall be deposited into a bank account in the name of the Association and all cheque drawn thereon shall be jointly signed by any two members of the General Committee.
- (3) The General Committee shall from time to time determine at what times and places and under what conditions or regulations the accounts and books of the Association or any of them shall be open to the inspection of Members not being members of the General Committee and no Member (not being a member of the General Committee) shall have any right to inspect any books of account or document of the Association except as conferred by statute or by the Articles of Association or authorized by the General Committee or by the Association in General Committee.
- (4) The General Committee shall from time to time in accordance with Sections 429, 431 and 610 and Sections 383, 388 and 391 of the Companies Ordinance cause to be prepared and to be laid before the Association in the annual general meeting such income and expenditure accounts, statement of financial position and reports as are referred to in those sections.
- (5) The annual financial statements of the Association shall be made up to 31st March (or any other date as reasonably determined by the General Committee) in each calendar year or prepared for each accounting reference period as required by the Companies Ordinance. The financial statements must follow the accounting standards issued or adopted by the HKICPA or its successors and adhere to all of the recommended practices of the HKICPA or its successors.
- (6) A copy of the financial statements (including every document required by any applicable law to be annexed thereto) which is to be laid before the Association in the annual general meeting together with a copy of each of the General Committee's report and the independent auditors' report shall, not less than 21 days before the date of the meeting, be sent to all Members entitled to receive notices of the annual general meetings provided that the same are not required to be sent to the above Members whose respective addresses the Association is not aware.
- (7) The General Committee must keep accounting records as required by the Companies Ordinance.

AUDIT

8. Independent auditors shall be appointed and their duties regulated in accordance with the applicable statutory requirements.

SEAL

9. The General Committee may from time to time make regulations as to the custody and use of the seal of the Association. Until other rules or regulations are made by the General Committee, the seal shall be kept at the office or at such other place as the General Committee shall from time to time determine and all documents requiring the seal to be affixed thereto shall be signed by two members of the General Committee and by the secretary.

BYE-LAWS

10. (1) The General Committee may subject to the terms of these articles from time to time make, add to, alter and repeal the Bye-laws for the regulation of the Association, its members, officers, servants and agents or the Members and visitors as to the use or enjoyment of the office or the Association's facilities or any part thereof.
- (2) Any addition to or alterations or repeal of the existing Bye-laws and any making of the new bye-laws of the Association or any additions thereto or alterations or repeal thereof shall be endorsed in annual general meeting or general meeting and circulated to Members seven days before the effective date.

INDEMNITY

11. (1) Subject to Section 468 of the Companies Ordinance, every officer or other servant of the Association (other than a member of the General Committee) shall be indemnified out of the funds of the Association against all liability incurred by him in the proper and reasonable discharge of his duties as such officer or servant in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with an application under Sections 903 and 904 of the Companies Ordinance in which relief is granted to him by the court provided that none of the funds and assets of the Association shall be applied in payment of the whole or part of any fine or penalty imposed upon any person by sentence or order of a Court of Justice.
- (2)(A) A current or former member of the General Committee (the "**Committee Member**") may be indemnified out of the Association's assets against any liability incurred by the Committee Member to a person other than the Association or an associated company of the Association (the "**Associated Company**") in connection with any negligence, default, breach of duty or breach of trust in relation to the Association or the Associated Company (as the case may be).
- (B) Paragraph (A) only applies if the indemnity does not cover—
- (a) any liability of the Committee Member to pay—
 - (i) a fine imposed in criminal proceedings; or
 - (ii) a sum payable by way of a penalty in respect of non-compliance with any requirement of a

regulatory nature; or

- (b) any liability incurred by the Committee Member—
 - (i) in defending criminal proceedings in which the Committee Member is convicted;
 - (ii) in defending civil proceedings brought by the Association, or an Associated Company in which judgment is given against the Committee Member;
 - (iii) in defending civil proceedings brought on behalf of the Association by a Member or of an Associated Company in which judgment is given against the Committee Member;
 - (iv) in defending civil proceedings brought on behalf of an Associated Company by a member of the Associated Company or by a member of an associated company of the Associated Company, in which judgment is given against the Committee Member; or
 - (v) in connection with an application for relief under Section 903 or 904 of the Companies Ordinance in which the Court refuses to grant the Committee Member relief.

- (C) A reference in paragraph (B)(b) to a conviction, judgment or refusal of relief is a reference to the final decision in the proceedings.

- (D) For the purposes of paragraph (C), a conviction, judgment or refusal of relief—
 - (a) if not appealed against, becomes final at the end of the period for bringing an appeal; or
 - (b) if appealed against, becomes final when the appeal, or any further appeal, is disposed of.

- (E) For the purposes of paragraph (D)(b), an appeal is disposed of if—
 - (a) it is determined, and the period for bringing any further appeal has ended; or
 - (b) it is abandoned or otherwise ceases to have effect.

- (3) Every Member, whether ordinary, cadet, affiliated, honorary or life shall indemnify and keep indemnified the Association against all costs, claims, damages and loss caused to him or any third party arising out of his participation in any activity organized by the Association.

AUDITOR'S INSURANCE

- 12. (1) The members of the General Committee may decide to purchase and maintain insurance, at the expense of Association, for an auditor of the Association, or an auditor of an associated company of the Association, against—
 - (a) any liability to any person attaching to the auditor in connection with any negligence, default, breach of duty or breach of trust (except for fraud) occurring in the course of performance of the duties of auditor in relation to the Association or associated company (as the case may be); or

(b) any liability incurred by the auditor in defending any proceedings (whether civil or criminal) taken against the auditor for any negligence, default, breach of duty or breach of trust (including fraud) occurring in the course of performance of the duties of auditor in relation to the Association or associated company (as the case may be).

(2) In this article, a reference to the performance of the duties of auditor includes the performance of the duties specified in Sections 415(6)(a) and (b) of the Companies Ordinance.

RECORDS

13. The General Committee must cause the information of the Association to be adequately recorded for future reference as required by the Companies Ordinance.

SUBSIDIARY

14. The Association shall not form a subsidiary or hold a controlling interest in another body corporate unless the formation of such a subsidiary or the holding of a controlling interest in such a body corporate has previously been approved by the Registrar in writing.

NO ALTERATION CLAUSE

15. No addition, alteration or amendment shall be made to or in the Articles of Association for the time being in force, unless such addition, alteration or amendment has previously been submitted to and approved by the Registrar in writing or is made under a direction given under Section 104(2)(b) or 105 of the Companies Ordinance.

MISCELLANEOUS

16. All matters not specially provided by the Articles of Association and / or the Bye-laws shall be left to the decision of the General Committee whose ruling shall be final and conclusive.

17. Any question as to the interpretation of the Articles of Association and the Bye-laws and disciplinary procedures, if any, shall be left to the General Committee whose decision on any point shall be final and binding on all the persons affected.