



## austcham procedures manual

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[Incorporating amendments up to 20 November 2003]

### THE COMPANIES ORDINANCE (CHAPTER 32)

Company Limited by Guarantee  
and not having a Share Capital

### ARTICLES OF ASSOCIATION

OF

### THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG

#### Preliminary

1. In these Articles, unless there be something in the subject or context inconsistent therewith, the following words and expressions shall have the following meanings:-

(a) "AustCham" means the company registered as "THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG";

(b) "Additional Corporate Member" means any employee or member of a Corporate Member, other than the Corporate Nominee, who has been accepted as an Additional Corporate Member in accordance with the provisions of these Articles;

(c) "Articles" means these Articles of Association of AustCham as may from time to time be modified or amended in accordance with the provisions hereof;

(d) "Individual Member" means a Member who is an individual person resident in Hong Kong and who has been accepted as an Individual Member in accordance with the provision of these Articles;

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(e) “Board of Directors” means the Board of Directors being vested with the management of AustCham for the time being in accordance with the provisions of these Articles;

(f) “By-Laws” means the by-laws, rules or regulations of AustCham made by the Board of Directors;

(g) “Corporate Member” means a corporation, firm, business, or any professional, registered or certified organisation or foundation, other than an individual or natural person and who has been accepted as a Corporate Member in accordance with the provisions of these Articles;

(h) “Corporate Nominee” means an individual nominated by a Corporate Member to represent a Corporate Member in exercising its rights and powers as a Member and to enjoy the facilities and privileges of AustCham;

(i) “Director” means a member of the Board of Directors in accordance with the provisions of these Articles;

(j) “General Meeting” means a general meeting of the Members of AustCham whether annual or extraordinary or otherwise;

(k) “Honorary Member” means any individual or natural person, whether Australian or otherwise, entered on the Register of Members of AustCham as an Honorary Member in accordance with the provisions of these Articles;

(l) “Founder Member” means any corporation, firm, business, government or government body whether Australian or otherwise, individual or natural person entered on the Register of Members of AustCham as a Founder Member in accordance with the provisions of these Articles;

(m) “Life Honorary Member” means any individual or natural person, whether Australian or otherwise, entered on the Register of Members of AustCham as a Life Honorary Member in accordance with the provisions of these Articles;

(n) “Member” means a Member who is either a Founder Member, Individual Member, Life Honorary Member, Overseas Member, Honorary Member, Corporate Member, Additional Corporate Member or a Young Professional Member.

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(o) "Overseas Members" means any corporation, firm, business, government or government body whether Australian or otherwise, individual or natural person entered on the Register of Members of AustCham as an Overseas Member in accordance with the provisions of these Articles;

(p) "Office" means the registered office of AustCham;

(q) "Ordinance" means the Companies Ordinance, Chapter 32 of the laws of Hong Kong, and any statutory modification or re-enactment thereof;

(r) "Register of Members" means the register kept at AustCham's office detailing all Members' names, business, occupations, business addresses and home addresses;

(s) "Seal" means the common seal of AustCham;

(t) "Secretary" means the company secretary of AustCham as shall be appointed by the Board of Directors from time to time;

(u) "Voting Member" means a Founder Member, Corporate Member, Individual Member or a Young Professional Member;

(v) "Young Professional Member" means a person aged over 18 but under 30 who is ordinarily resident in Hong Kong and has been accepted as a Young Professional Member in accordance with the provisions of these Articles.

2. Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine or neuter gender as the case may be and vice versa. 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.

3. The Articles and the By-Laws shall together form the rules of AustCham.

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#### NUMBER OF MEMBERS

4. For the purposes of registration, AustCham is declared to consist of not more than 2,500 members and the Board of Directors may when it thinks fit register an increase in the number thereof and may also restrict the number of any class or classes thereof.

#### BY-LAWS

5. In addition to these Articles the Board of Directors may make and enforce By-Laws and all Members of AustCham agree to comply and be bound by the By-Laws of AustCham from time to time in force and such By-Laws may only be varied at a General Meeting of AustCham and by a majority of not less than three quarters of Voting Members at such General Meeting.

#### MEMBERSHIP

6. The Members of AustCham shall comprise:-

- (a) Corporate Members
- (b) Individual Members
- (c) Life Honorary Members
- (d) Overseas Members
- (e) Founder Members
- (f) Honorary Members
- (g) Additional Corporate Members
- (h) Young Professional Members

#### CORPORATE MEMBERS

7. Any corporation firm or business may apply to be a Corporate Member.

8. A corporation firm or business may only become a Corporate Member.

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9. A Corporate Member shall have the right to receive AustCham publications and to nominate at any time one (1) individual person as its nominee by notice in writing given to the Secretary.

10. Any nominee of a Corporate Member, if approved by the Board of Directors, shall be known as a Corporate Nominee and may use the facilities of AustCham and attend its functions in all respects as if he were an Individual Member, subject nevertheless to the provisions of these Articles, and any obligations imposed on a Corporate Member shall be deemed to have been imposed in like manner on the Corporate Nominee.

11. A Corporate Nominee may also be a Member (other than a Corporate Member) provided that, subject to the provisions of these Articles, he shall only be entitled to one vote at a General Meeting.

12. A Corporate Member shall have the right to receive notice of all General Meeting and any other meetings of AustCham, and through its Corporate Nominee to attend the same, to vote, propose resolutions and move amendments thereat.

13. All regulations of AustCham shall apply to each Corporate Member and its Corporate Nominee.

14. Each Corporate Member and its Corporate Nominee shall be jointly and severally responsible for payment of the entrance and yearly subscription fees and for all amounts properly entered on the account of the Corporate Nominee.

## INDIVIDUAL MEMBERS

15. An individual person who is ordinarily resident in Hong Kong and who is not otherwise a Life Honorary Member or a Young Professional Member, an Overseas Member, a Founder Member or an Honorary Member will upon his admission to AustCham be an Individual Member, subject to Articles 16 to 19 hereof.

## LIFE HONORARY MEMBERS

16. The Board of Directors shall have the power of issuing invitations to those who in the opinion of the Board of Directors are worthy of such distinction by reason of their dignity or

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who have rendered or are rendering special services to AustCham, to become a Life Honorary Member of AustCham. A Life Honorary Member shall not be liable for any entrance fee or yearly subscriptions. A Life Honorary Member shall be entitled to use all the facilities of AustCham and to enjoy all other privileges and benefits applicable to a Corporate Member of AustCham (subject to payment of all costs, fees and expenses in relation to any function organized by AustCham and attended by such Life Honorary Member) provided that a Life Honorary Member shall not be entitled to vote at any General meeting of AustCham or to elect or be elected as Directors of AustCham.

## OVERSEAS MEMBERS

17. Any person who is not ordinarily resident in Hong Kong and who would otherwise qualify for admission as a Member may apply for Overseas Membership and shall, upon payment of the prescribed fee, be entitled to receive all notices and the publications and use the facilities of AustCham and attend its functions whilst in Hong Kong. Any Member who has been admitted as such while resident in Hong Kong may apply to convert his Membership to the category of Overseas Member should he leave Hong Kong to take up residence overseas.

## FOUNDER MEMBERS

18. Admission to AustCham as a Founder Member shall be at the sole discretion of the subscribers who shall exercise their discretion at or before the first General Meeting of AustCham and any Member so admitted will be a Founder Member. Founder Members will be required to pay an initial subscription fee of \$25,000, and may be requested to make additional contributions pursuant to Article 26.

## HONORARY MEMBERS

19. The Board of Directors shall have the power of issuing invitations to those who in the opinion of the Board of Directors are worthy of such distinction by reason of their position, to become an Honorary Member of AustCham. An Honorary Member shall be entitled to use all the facilities of AustCham and to enjoy all the privileges of being a Member (subject to payment of all costs, fees and expenses in relation to any function organized by AustCham and attended by such Honorary Member) but shall not be required to pay any entrance fee, or yearly subscription. An Honorary Member shall not, however, have any right to vote or participate in the management of the affairs of AustCham.

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## ADDITIONAL CORPORATE MEMBERS

20. An employee of a Corporate Member, other than the Corporate Nominee, may apply to be an Additional Corporate Member.

21. An employee of a Corporate Member, if his application for membership is accepted in accordance with these Articles, shall be known as an Additional Corporate Member and may use the facilities of AustCham and attend its functions in all respects as if he were an Individual Member, subject nevertheless to the provisions of these Articles.

22. An Additional Corporate Member shall not have any right to vote at any General Meeting of AustCham.

## YOUNG PROFESSIONAL MEMBERS

22A. A person aged over 18 but under 30 who is ordinarily resident in Hong Kong and is not otherwise a Life Honorary Member, an Overseas Member, a Founder Member, an Honorary Member or an Individual Member may make application to become a Young Professional Member and upon acceptance of such application shall become a Young Professional Member on and subject to the provisions of these Articles.

## GUESTS

23. Any person who is not a Member may be introduced from time to time as a guest of a Member.

24. The Board of Directors shall be entitled to withdraw from any Member the privilege of introducing Guests if it is of the opinion that his use of this privilege constitutes an abuse thereof.

25. The Board of Directors shall be entitled to impose restrictions on Guests with regard to times or particular facilities of AustCham and shall notify the Members of such action.

## ENTRANCE FEES AND SUBSCRIPTIONS

26. Members may be required to pay entrance fees and subscription fees. The amount of such fees and when they are payable shall be determined by the Board of Directors. The Board

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of Directors shall have power from time to time to vary the amount of such fees and the time for payment.

(i) The Board of Directors may from time to time request that Founder Members make additional contributions to AustCham. There shall be no legal compulsion on Founder Members to make such contributions.

## DEFAULT

27. If any fee due under the provisions of Article 26 hereof or any other amount is due by any Member of AustCham and remains unpaid after the expiration of a period of one (1) month from the due date for payment thereof, the Board of Directors may give written notice to such Member to the effect that if any such entrance fee or other amount is not paid in full within such period (not being less than seven (7) days) as may be prescribed by the terms of such notice, the Member will be liable to be expelled from AustCham. In the event that payment of all outstanding amounts is still not received by AustCham within the period limited as aforesaid, the Board of Directors may at any time thereafter give to the Member in default written notice, without prejudice to the rights of the Board of Directors to recover from him all outstanding amounts and costs, to the effect that he has been expelled from AustCham and upon the posting of any such notice, such Member shall ipso facto cease to be a Member of AustCham forthwith. The Board of Directors may in their sole and absolute discretion re-instate any person who has ceased to be a Member as a result of the implementation of the foregoing provisions of this Article on such condition as the Board of Directors may think fit.

28. The Board of Directors may require a Corporate Member to withdraw its Corporate Nominee if:-

(a) such Corporate Nominee is guilty of any of the offences or matters provided for in Article 34 hereof; or

(b) the conduct of such Corporate Nominee is subject to inquiry in the manner provided for in Article 33 hereof.

## GENERAL PROVISIONS WITH REGARD TO MEMBERSHIP

29. Any Member may resign his Membership at any time upon giving notice in writing to the Secretary of AustCham.



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30. The rights and privileges of a Member shall not be capable of being transferred by act or by operation of law and shall cease upon the death of a Member or upon the ceasing for any reason to be a Member of AustCham under the provisions of these Articles.

31. Any person who for any reason whatsoever ceases to be a Member shall nevertheless remain liable for and shall pay to AustCham all moneys which at the time of ceasing to be a Member shall be due from him to AustCham.

32. The Board of Directors may prohibit any Member from using the facilities of AustCham, attending its functions or voting on any matter while such Member is in default within the meaning of Article 28 hereof.

33. Any Member who shall be convicted of any indictable offence or of any offence involving his integrity or honesty or who shall commit an act of bankruptcy or enter into liquidation whether voluntary or compulsory (otherwise than for the purposes of amalgamation or reconstruction) or shall compound with his creditors or take or suffer any similar action in consequence of debt or become unable to pay his debts as they fall due, shall ipso facto cease to be a Member of AustCham and shall forfeit all rights to the use of or any claim upon any property of and in AustCham provided that it shall be lawful for the Board of Directors upon the written application of such Member and after due inquiry to restore his name to the list of Members of AustCham upon such terms as the Board of Directors may in its absolute discretion think fit.

34. If any Member persistently violates any of the provisions of these Articles or of the By-Laws or if his conduct is in the opinion of the Board of Directors injurious to the character or interests of AustCham the Board of Directors shall specifically consider the matter and if the Member complained of shall not explain his conduct to the satisfaction of the Board of Directors, the Board of Directors may call upon such Member by written notice to resign and should he not do so within a period of one (1) week, the Board of Directors may by resolution passed by a two-thirds majority of its members strike his name off the role of Members. In the event that the Board of Directors by resolution passed by a two-thirds majority of its members considers that the circumstances of the case are sufficiently grave and serious, the Board of Directors may without giving the Member the option of resigning, immediately suspend such Member from the use of the facilities of AustCham pending the investigation of his conduct by the Board of Directors. In this situation, a member has the right of appeal to the members of AustCham in a general meeting.

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35. Subject to the provisions of these Articles (and in particular, the rights applicable to the different categories of Members) and to the By-Laws for the time being in force, all Members shall be entitled at all times to use in common all the premises and property of AustCham and to be supplied at such charges as the Board of Directors shall determine with such refreshments and other facilities as are provided by AustCham for the use of Members.

36. AustCham shall maintain the register of members and may maintain such special registers of Members with attendant conditions as the Board of Directors may in its absolute discretion deem necessary from time to time.

## GENERAL MEETINGS

37. AustCham shall in each year and on dates and at places to be selected by the Board of Directors hold at least one General Meeting.

One of the said General Meetings shall be selected by the Board of Directors to be AustCham's Annual General Meeting and the notice calling such Annual General Meeting shall specify it as such. Not more than 15 months shall elapse between the date of one Annual General Meeting of AustCham and that of the next. Provided that so long as AustCham holds its first Annual General Meeting within 18 months of its incorporation, it needs not hold it in the year of its incorporation or in the following year.

38. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

39. The Board of Directors may, whenever it thinks fit, convene an Annual 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 113 of the Ordinance.

40. All General Meetings shall be called by at least twenty one days notice in writing. 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 the meeting and, in the case of special business, the general nature of the business shall be given. Notices shall be given to all Voting Members and such other persons as are entitled to receive such notices from AustCham.

Provided that a meeting of AustCham 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:

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(a) in the case of a General Meeting called the Annual General Meeting, by all Voting Members thereat; and

(b) in the case of any other General Meeting, by majority in number of the Voting Members, being a majority together representing not less than ninety-five per cent of the total voting rights of the Voting Members at that General Meeting.

41. The accidental omission to give notice of the General Meeting to or the non-receipt of notice of a General Meeting by, any person entitled to receive notice shall not invalidate the proceedings at that General Meeting.

## PROCEEDINGS AT GENERAL MEETINGS

42. In the Annual General Meeting, the consideration of the accounts, balance sheets and the reports of the Board of Directors and auditors, the appointment of and fixing of the remuneration of the auditors and the appointment of Directors shall be considered ordinary business. All other business to be conducted at General Meetings shall be deemed special business.

43. No business shall be transacted at any General Meeting unless a quorum of Voting 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 provided, 6 Voting Members shall be a quorum.

44. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be dissolved.

45. The Chairman of the Board of Directors shall take the chair at every General Meeting, or, if there be no such Chairman or if at any General Meeting such Chairman shall not be present within fifteen minutes after the time appointed for holding such meeting, the Voting Members present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, or if the Director chosen shall retire from the chair, then the Voting Members present shall choose a Voting Member to be Chairman.

46. The Chairman of the Meeting 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

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meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment of the business to be transacted at any adjourned meeting.

47. 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 of the Meeting; or

(b) by at least 2 Voting Members present; or

(c) by any Voting Members present and representing not less than one tenth of the total voting rights of all Voting Members.

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 AustCham 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.

48. If a poll is duly demanded it shall be taken in such manner as the Chairman of the Meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

49. In the case of an equality of votes, the Chairman of the meeting at which the show of hands takes place, shall be entitled to a second or casting vote.

50. Subject to the provisions of the Ordinance, a resolution in writing signed by all Voting Members for the time being entitled to receive notice of and to attend and vote at General Meetings shall be as valid and effective as if the same had been passed at a General Meeting of AustCham duly convened and held.

51. Directors who are Voting Members or Corporate Nominees shall be entitled to exercise any vote that they may be entitled to exercise by virtue of being Voting Members or Corporate Nominees notwithstanding the fact that they hold office as Directors.

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52. Should a Corporate Nominee be appointed Chairman then during the term of such appointment the relevant Corporate Member may appoint another representative to attend and vote at any General Meeting on its behalf.

## VOTES OF MEMBERS

53. Each Founder Member shall have two votes.

54. Subject to the provisions of these Articles, each Voting Member other than a Founder Member shall have one vote.

55. On a poll votes may be given either personally or by proxy.

56. The instrument appointing a proxy shall be in writing and duly executed by the appointor. A proxy need not be a Member of AustCham.

57. The instrument appointing a proxy, under which it is signed, shall be deposited at the Office of AustCham or at such other place within Hong Kong as is specified for that purpose in the notice convening the General Meeting, not less than 48 hours before the time for holding the General Meeting or adjourned General 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.

58. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit -

“I/We \_\_\_\_\_ of \_\_\_\_\_  
being a Voting Member of AustCham 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 AustCham to be held on the \_\_\_\_\_ day of  
19, and at  
any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_.”

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

“I/We \_\_\_\_\_ of \_\_\_\_\_  
being a Voting Member of AustCham 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 AustCham to be held on the \_\_\_\_\_ day of  
19\_\_\_\_\_, and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_.

This form is to be used \_\_\_\_\_ \* in favour of \_\_\_\_\_ the resolution.  
\_\_\_\_\_ against \_\_\_\_\_

Unless otherwise instructed, the proxy will vote as he thinks fit.

\* Strike out whichever is not desired.”

60. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

#### MANAGEMENT OF AUSTCHAM

61. Unless and until otherwise determined by an ordinary resolution of AustCham, the number of Directors shall not be less than 12 and more than 16 provided always that the majority of Directors shall be Australian Citizens.

62. Each Director of the Board of Directors shall be a duly appointed representative of a Member of AustCham and the names of the initial Directors of the Board of Directors shall be determined in writing by the subscribers to the Memorandum of Association or a majority of them.

63. The officers of the Board of Directors shall at all times consist of a Chairman (who, so long as he holds office shall act as Chairman of all meetings of the members and the Board of

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Directors at which he is present), one or more Vice-Chairmen (if more than one Vice-Chairman is appointed, "Vice-Chairman" refers to any one of them) and a Treasurer, such officers to be appointed by the Board of Directors.

64. A Director who is a Corporate Nominee and who for any reason considers that he is unlikely to be able to attend Meetings of the Board of Directors may by notice in writing delivered to the Office appoint any one or more senior employees or directors of or partners in such Corporate Member to be an Alternate Director in his place. Any person so appointed shall be entitled to receive notices of and to attend and vote at Meetings of the Directors and count towards a quorum and shall automatically vacate his office on the expiration of the term for or the happening of the event until which he is by the terms of his appointment to hold office or if the appointer in writing revokes the appointment or himself ceases for any reason to hold office as a Director. An appointment of an Alternate Director under this Article shall not prejudice the right of the appointer to receive notices of and to attend and vote at Meetings of the Directors and the powers of the Alternate Directors shall automatically be suspended during such time as the Director appointing him is himself present in person at a meeting of the Directors.

#### BORROWING

65. The Board of Directors may exercise all the powers of AustCham to borrow money, and to mortgage or charge its property, or any part thereof and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of AustCham.

#### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

66. The business of AustCham shall be managed by the Board of Directors who may pay any expenses properly incurred in promoting and registering AustCham and who may exercise all such powers of AustCham as are not, by the Ordinance or by these Articles, required to be exercised by the Association 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 AustCham in General Meeting; but no regulation made by AustCham in General Meeting shall invalidate any prior act of the Board of Directors which would have been valid if that regulation had not been made.

67. A Director of the Board of Directors shall not vote in respect of any contract in which he is interested or any matter arising thereout, and if he does so vote, his vote shall not be counted.

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68. The Board of Directors shall make such Banking arrangements on behalf of AustCham as it shall reasonably consider necessary or appropriate provided AustCham's Bank Mandate shall provide that the signatures of (i) any two Directors or (ii) any one Director and the Secretary or Treasurer authorised by the Board of Directors from time to time of AustCham shall be required for the drawing of any cheque on any Bank account of AustCham.

69. The Board of Directors shall cause minutes to be made in books provided for the purpose:

- (a) of all appointments of officers made by AustCham;
- (b) of the names of the persons present at each meeting of the Board of Directors or any committee of the Board of Directors;
- (c) of all resolutions and proceedings at all meetings of AustCham and of the Board of Directors and any committees of the Board of Directors;

and every Director present at any meeting of Directors or committee of Directors shall sign his name in a book to be kept for that purpose, and the Board of Directors shall cause copies of all such Minutes to be circulated to all Directors.

## DISQUALIFICATION OF DIRECTORS OF THE BOARD OF DIRECTORS

70. The office of a Director of the Board of Directors shall be vacated:

- (a) if a receiving order is made against him or he makes any arrangement or composition with his creditors;
- (b) if he becomes of unsound mind;
- (c) if he ceases to be a Member or Corporate Nominee;
- (d) if he resigns his office by notice in writing to AustCham in accordance with section 157D (3) (a) of the Ordinance;
- (e) if he ceases to hold office by reason of any order made under section 157E or 157F of the Ordinance;



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(f) if he is removed from office by a resolution duly passed pursuant to section 157B of the Ordinance; or

(g) if he is directly or indirectly interested in any contract (being a contract of significance in relation to the business of AustCham) with AustCham and, if his interest in the contract is material, and if he fails to declare the nature of his interest in the manner required by Section 162 of the Ordinance.

### ANNUAL ELECTION OF THE BOARD OF DIRECTORS

71. Directors shall be elected at each Annual General Meeting in accordance with these Articles.

72. No person not being a retiring Director of the Board of Directors shall be eligible for office on the Board of Directors at any General Meeting unless not less than seven days before the day appointed for the General Meeting, there shall have been given to the Vice-Chairman (or if there is more than one Vice-Chairman, any one of them) or Treasurer or Secretary notice in writing, by a Voting Member duly qualified to be present and vote at the General 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.

73. The Voting Members of AustCham may by special resolution remove any Director of the Board of Directors before the expiration of his period of office, and by an ordinary resolution appoint another Director in his stead.

### ROTATION OF DIRECTORS

73A At the Annual General Meeting of AustCham one half of the directors for the time being shall retire from office.

73B The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

73C A retiring director shall be eligible for re-election.

73D At the Annual General Meeting at which a director retires in the manner aforesaid, the Voting Members may fill the vacated office by electing a person thereto, and in default the

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retiring director shall, if offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director shall have been put to the meeting and lost.

73E The directors shall have power at any time, and from time to time, to appoint any person to be a director to fill a casual vacancy. Any director so appointed shall be subject to retirement at the next Annual General Meeting after his appointment.

#### PROCEEDINGS OF THE BOARD OF DIRECTORS

74. The Board of Directors may meet together for the despatch of business from time to time, and at such time and place as shall be notified in writing to the Directors of the Board of Directors, by the Chairman, Vice-Chairman, Treasurer or Secretary not less than 7 days before the meeting and such notice shall set out the business to be discussed. The Board of Directors shall adjourn and regulate their meetings as they think fit. The quorum shall be 3 Directors and no business shall be transacted unless a quorum is present. Each Director of the Board of Directors shall have one vote and questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.

75. A Director of the Board of Directors may, and on the request of a Director of the Board of Directors the Chairman shall, at any time, summon a meeting of the Board of Directors by notice served upon the Directors of the Board of Directors. A Director of the Board of Directors who is absent from Hong Kong shall not be entitled to notice of a meeting, unless he shall have left with the Chairman or (if such Director is the Chairman) the Secretary or Treasurer an address for service of notice of a meeting in which case the said Director shall be entitled to ten days written notice of the meeting.

76. The Chairman, or failing him the Vice-Chairman (or if there is more than one Vice-Chairman, any one of them) of the Board of Directors, or failing him such other Director of the Board of Directors as shall be agreed between the Directors present, shall preside as Chairman of meetings of the Board of Directors of AustCham.

77. All acts bona fide done by any meeting of the Board of Directors or by any person acting as a Director of the Board of Directors, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Director acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such

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person had been duly appointed or had duly continued in office and was qualified to be a Director of the Board of Directors.

78. A resolution in writing signed by all Directors for the time being of the Board of Directors who are duly entitled to receive notice of a meeting of the Board of Directors shall be as valid and effectual as if it had been passed at a meeting of the Board of Directors duly convened and constituted.

#### MEMBERSHIP COMMITTEE AND APPOINTMENT OF MEMBERS AND CORPORATE MEMBERS

79. The Board of Directors shall have the power to accept any person, on his written application, as a new Member of AustCham and the Board may specify such requirements for membership as they shall from time to time consider fit.

#### THE SECRETARY

80. The Secretary shall be appointed by the Board of Directors for such term, at such remuneration and upon such conditions as it thinks fit; and any Secretary so appointed may in the sole and absolute discretion of the Board of Directors be removed by them.

#### THE SEAL

81. The Directors of the Board of Directors shall provide for the safe custody of the Seal which shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and every instrument to which the seal shall be affixed shall be signed by a Director of the Board of Directors and shall be countersigned by a second Director of the Board of Directors.

#### ACCOUNTS

82. The Board of Directors shall cause proper books of account to be kept with respect to:

- (a) all sums of money received and expended by AustCham and the matters in respect of which such receipt and expenditure take place;
- (b) all sales and purchases of goods by AustCham;

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(c) the assets and liabilities of AustCham.

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 affairs of AustCham and to explain its transaction.

83. The books of account shall be kept at AustCham's Office, or, subject to section 121(3) of the Ordinance, at such other place or places as the Board of Directors thinks fit, and shall always be open to the inspection of the Directors of the Board of Directors.

84. The books of account shall be open to the inspection of any Director of AustCham on reasonable notice. The Director 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 AustCham or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspection any account or book or document of AustCham except as conferred by status or authorised by the Directors or by AustCham in general meeting.

85. The Directors shall from time to time in accordance with section 122 and 129D of the Ordinance, cause to be prepared and to be laid before AustCham in general meeting such income and expenditure accounts, balance sheets and reports as are referred to in those sections. Every such balance sheet shall be accompanied by reports of the Board of Directors and the auditors and copies of such accounts, balance sheet and reports and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty-one clear days before the date of the meeting be sent to the auditor and to all other persons entitled to receive notices of general meetings in the manner in which notices are hereinafter directed to be served. The auditor's report shall be open to inspection and be read before the meeting as required by Section 141(2) of the Ordinance.

## AUDIT

86. Once at least in every year the accounts of AustCham shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by the auditors.

87. The auditors shall be appointed and their duties regulated in accordance with sections 131, 132, 133, 140, 140A, 140B and 141 of the Ordinance.

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## NOTICES

88. A notice may be served by AustCham upon any Member through the following methods:

- (a) by delivering it by hand at the registered address appearing in the Register of Members to such Member;
- (b) by sending it through the post in a prepaid letter addressed to such Member at his registered address appearing in the Register of Members;
- (c) by facsimile transmission; or
- (d) by electronic mail.

89. Any notice, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put in to the post, and, in providing such service, it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter, but otherwise, notice (either by hand, by facsimile transmission or electronic mail) shall be deemed to have been served on the same day of despatch of such notice or in the case of facsimile transmission or electronic mail, that it was despatched to the last facsimile number or electronic mail address notified by the Member to AustCham.

## WINDING UP

90. The provisions of Clause 7 of the Memorandum of Association relating to the winding-up or dissolution of AustCham shall have effect and be observed as if the same were repeated in these Articles.