

**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**ASIA PACIFIC ADVANCED NETWORK LIMITED**

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**Incorporated on the 3<sup>rd</sup> day of August 2009.**

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***PHILIP K.H. WONG, KENNEDY Y.H. WONG & CO.  
SOLICITORS & NOTARIES,  
HONG KONG***

**THE COMPANIES ORDINANCE (CHAPTER 32)**

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

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**MEMORANDUM OF ASSOCIATION**

**OF**

**ASIA PACIFIC ADVANCED NETWORK**

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First :- The name of the Company is “ASIA PACIFIC ADVANCED NETWORK LIMITED”  
(hereinafter referred to as “the Association”)

Second :- The Registered Office of the Association will be situated in Hong Kong.

Third :- The objects for which the Association is established are :-

- (1) To co-ordinate and promote network technology developments and advances in network-based applications and services.
- (2) To co-ordinate the development of an advanced networking environment for research and education communities in the Asia-Pacific region.
- (3) To provide a forum for user communities to come together with network engineers to help promote and exploit opportunities to enhance research and education in specific disciplines.
- (4) To encourage and promote regional connectivity and network-enabled collaboration.
- (5) To hold meetings, workshops and conferences relating to network technology development.
- (6) To exchange technical information amongst its community and beyond.
- (7) To arrange and organize education and training workshops.

- (8) To operate a fellowship program to develop the next generation of network engineers and network leaders in the Asia Pacific region.
- (9) To work closely with interested individuals, organizations and its peer equivalent organizations around the world to further enhance the adoption of and research into advance network applications and technologies.
- (10) To attain the objects of the Association by launching and assisting the fund or material raising activities and accepting any donations, gifts and bequests from any individuals, companies, organizations or associations.
- (11) To organize any non-profit making plans and activities for the promotion of the objects of the Association jointly with local or overseas organizations or associations which objects being similar to those of the Association.
- (12) To apply, register, buy or purchase and safeguard, extend and reorganize all kinds of intellectual or industrial property and scientific technology of the Association and use, exploit, make, test, improve, acquire or permit others to use all such kinds of intellectual or industrial property and scientific technology, and the special permits, guarantee or special permissions solely for the attainment of the objects of the Association.
- (13) To apply, purchase or acquire the patent, copyright and special permission exclusively or non-exclusively or of limited user right in any way, or to apply, purchase or acquire any information in order to attain the objects of the Association, and to use, exercise, develop or utilize any such property, right or information or grant permission to such property, right or information solely for the attainment of the objects of the Association.
- (14) To make such arrangements with any governments, organizations, companies, corporations or individuals in furtherance of the objects of the Association but not otherwise; to undertake, execute, exercise and follow any laws, rights, privileges, special permissions, trade marks, patent rights and permits from these governments, organizations, companies, corporations or individuals which the Association may think necessary or convenient for the promotion of its objects.
- (15) In furtherance of the objects of the Association but not otherwise, to buy, purchase or hold in whatever manner any shares, stocks, debentures, debenture shares, mortgages, charges, lien or other mortgages to safeguard the benefit of the Association.
- (16) To sell, improve, manage, develop, exchange, let, mortgage, despatch, divide, use or deal with in whatever ways all or any part of the properties and rights of the Association in furtherance of the objects of the Association.

- (17) To purchase, or to acquire by other means, sell, exchange, deliver, let, mortgage, change, utilize, handle and deal with all or any of the property assets and rights of the Association, especially securities, debentures, products, special permissions, preferences, contracts, patent rights, annuities, licenses, shares, bonds, insurance policies, claims, benefits and any intangible movable assets solely for the attainment of the objects of the Association.
- (18) To purchase, take on lease, exchange, hire or otherwise acquire any movable or immovable properties and any rights or privileges especially any lands, the demolition or alteration of any buildings and easements when it is necessary in furtherance of the objects of the Association.
- (19) In furtherance of the objects of the Association but not otherwise, to borrow or raise money or secure any payment by such means, conditions and guaranty as the Association may think fit and in particular by mortgages upon all or any of the properties and assets (present and future) of the Association to issue perpetual or time limited debentures in order to purchase, redeem or discharge these securities.
- (20) To send, conclude, accept, endorse, discount, sign and issue promissory notes, money orders, bills of lading, vouchers, debentures which could circulate or exchange.
- (21) To hold land properties or other properties for the benefit or in the name of the Association, or in the form of trust when necessary in furtherance of the objects of the Association.
- (22) To register or acquire acknowledgment of the Association in any country or place outside Hong Kong.
- (23) At all times, by lawful means, processes, or any other lawful procedures to safeguard the reputation or properties of the Association when necessary.
- (24) To apply for any temporary decree and lawful right from the authority for the implement of any objects of the Association, or for the revision of the Memorandum of the Association, or for any purposes which may be considered appropriate. Moreover, to oppose any laws, proposals, litigations, plans, or applications which may be considered either directly or indirectly prejudicial to the benefits of the Association.
- (25) Subject to the restrictions of Clause 4 of this Memorandum of the Association, the Association may give rewards to any individuals or companies who on behalf of the Association or assist the Association to handle administrative matters or promote the objects of the Association.
- (26) To pay out of the Association's funds any solicitors' fees or other fees in respect of the registration and the setting up of the Association.

- (27) To use the funds of the Association appropriately from time to time in order to attain any of the above objects.
- (28) In furtherance of the objects of the Association but not otherwise, to transact all or any of the above operations in any part of the world as proxy, agent, contractor, trustee or other capacity, or through proxy or agent or other person and either alone or in conjunction with others.
- (29) To carry out all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them,

PROVIDED that :-

- (i) In case the Association shall take or hold any property which may be subject to any trusts, the Association shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
- (ii) 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.
- (iii) The provisions of powers in the Seventh Schedule of the Companies Ordinance (Chapter 32) are inapplicable in this Memorandum of Association.

Fourth :-

- (1) The income and property of the Association, however derived, should be applied solely towards the promotion of the objects of the Association as set forth in this Memorandum of Association.
- (2) Subject to Sub-Clauses (4) and (5) below, no portion of the income and property of the Association shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever to the members of the Association.
- (3) No member of the Board of Directors 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-Clause (5) below) shall be given by the Association to any member of the Board of Directors or the governing body.
- (4) 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 of the Association not being a member of Board of Directors or the governing body of the

Association in return of any services actually rendered to the Association.

- (5) Nothing herein shall prevent the payment, in good faith, by the Association:
- (a) to any member of its Board of Directors or the governing body of out-of-pocket expenses;
  - (b) of interest on money lent by any member of the Association or its Board of Directors or its governing body at a rate per year not exceeding 2% above the prime rate prescribed for the time being by the Hongkong and Shanghai Banking Corporation Limited for Hong Kong dollars loan;
  - (c) of reasonable and proper rent for premises demised or let by any member of the Association or of its Board of Directors or its governing body; and
  - (d) of remuneration or other benefit in money or money's worth to a body corporate in which a member of the Association or of its Board of Directors or its governing body is interested solely by virtue of being a member of that body corporate by holding not more than one-hundredth part of its capital or controlling not more than one-hundredth part of its votes.
- (6) No person shall be bound to account for any benefit he may receive in respect of any payment properly paid in accordance with Sub-Clauses (4) and (5) above.

Fifth :- The liability of the members is limited.

Sixth :- Every member of the Association undertakes to contribute to the assets of the Association in the event of its being wound up during the time that 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 of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding the sum of One Hundred Hong Kong Dollars.

Seventh :- 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 institution or institutions which has or have objects similar to the objects of the Association and which institution or institutions 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 Clause 4 hereof, such institution or institutions to be determined by the members of the Association before the time of dissolution or in default thereof by a Judge of the High Court of Hong Kong Special Administrative Region having jurisdiction in regard to charitable funds; and if and so far as effect cannot be given to the aforesaid provision then to some charitable objects.

WE, the several persons whose names, addresses, and descriptions are given below, wish to form a Company in pursuance of this Memorandum of Association :-

**Names, Addresses and Descriptions of Signatories**

George Millar McLaughlin  
145 Taylors Creek Road  
Tarago NSW 2580  
Australia

Wu Jianping (吴建平)  
No. 5-3-501 Heqing Yuan  
Tsinghua University  
Haidian District, Beijing 100084  
China PRC  
Professor

Dated the                      day of                      2009.

WITNESS to the above signature :-

Solicitor, Hong Kong SAR  
23<sup>rd</sup> Floor, Admiralty Centre, Tower II,  
18 Harcourt Road,  
Hong Kong.

# **THE COMPANIES ORDINANCE (CHAPTER 32)**

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## **Company Limited by Guarantee and Not having a Share Capital**

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### **ARTICLES OF ASSOCIATION**

**OF**

### **ASIA PACIFIC ADVANCED NETWORK LIMITED**

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#### **Interpretation**

1. In these Articles, unless there is something in the subject or context inconsistent therewith :-

“The Association” means the association registered as “ASIA PACIFIC ADVANCED NETWORK LIMITED”.

“The Ordinance” means the Companies Ordinance (Chapter 32) and every statutory modification or re-enactment thereof for the time being in force.

“The Founding Members” means the persons who sign the Memorandum of Association and the Articles of Association of the Association.

“Member(s)” means member(s) of the Association, including Voting and Non-voting members.

“Directors” or “Board of Directors” means the Directors or Board of Directors of the Association for the time being.

“The Registered Office” means the registered office of the Association for the time being.

“The Seal” means the Common Seal of the Association.

“The Secretary”	means any person appointed to perform the duties of the secretary of the Association.
“The Memorandum”	means the Memorandum of Association and every modification thereof for the time being in force.
“The Articles”	means the Articles of Association and every modification thereof for the time being in force.
“In writing”	means written or typewritten or printed or partly written or partly typewritten or partly printed including any message received or sent by telegram, telex or facsimile.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender shall include the feminine gender.

Words importing the man shall include the company.

Unless the context otherwise requires, expressions defined in the Ordinance or any statutory modification thereof in force at the date at which these regulations become binding on the Association, shall have the meaning so defined.

Any headline in the Articles shall not influence the interpretation of the Article of Association.

### **Object**

2. The Association is established for the purposes expressed in the Memorandum of Association.

### **Membership**

3. For the purpose of registration, the number of members of the Association shall not exceed 100.
4. The Association shall consist of Voting Members and Non-voting Members.
5. Membership shall be open to those who are interested in the promotion of the objects of the Association.
6. Applications shall be made in writing to the Board of Directors signed by the applicant

in such form as the Board of Directors shall from time to time prescribe or approve, and the Board of Directors shall have absolute discretion to accept or reject any application without assigning any reason therefor.

7. Each successful membership applicant shall fall into one of the following membership categories:
  - (a) Voting Member: A person, organization or corporation that comprehensively represents a country's or economy's interests in the fulfilling the objectives of APAN, and that has the support of other persons, organizations or corporations in that country or economy that are stakeholders or beneficiaries in fulfilling the objectives of APAN. There must be only one Voting Member for each country/economy. A Voting Member shall have the right to attend and to speak at all Members' meetings and the right to run for office, nominate or second another for office, and to vote at all elections.
  - (b) Non-voting Member: A person, organization or corporation that has common interests in the objectives of APAN. The categories of Non-voting Members will be determined by the Voting Members. A Non-voting Member shall have the right to attend and to speak at all Members' meetings.
8. All Members shall abide by these Articles, the rules, regulations or by-laws of the Association and the decisions made by the Board of Directors.
9. Membership fees and the number of votes for Voting Members shall be determined by all Voting Members at the General Meeting.
10. Membership fees for Non-voting Members, if applicable, will be determined by all Voting Members at the General Meeting.
11. The rights and privileges of a member shall be personal and shall not be transferable by his own action or by operation of law.
12. Any Member who wishes to terminate his membership shall notify the Board of Directors in writing.
13. The membership of any Member shall be terminated in the following circumstances :
  - (a) a written notice submitted to the Board of Directors; provided that the Board of Directors shall have received the notice not less than one month before the date of expiry of such notice unless the Board of Directors notifies such member of acceptance of shorter notice.
  - (b) the Board of Directors requests any member to terminate his membership on a

definite date, but the Board of Directors should assign reason therefor. And any such member shall have the right to appeal at any general meeting, the decision made at any general meeting shall be final.

- (c) Member becomes of unsound mind, convicted of criminal offence, died, becomes bankrupt, making arrangement or composition with his creditors but unable to settle his liabilities.

### **General Meetings**

- 14. The Association shall convene one Annual General Meeting once in every calendar year and shall be declared this meeting in the notice of general meetings as the Annual General Meeting and the Association may hold general meetings other than Annual General Meeting every year. Each Annual General Meeting shall be held within fifteen months after the holding of the last preceding Annual General Meeting, but if the First Annual General Meeting is held within eighteen months from the date of incorporation of the Association, then the Association is not required to hold another Annual General Meeting in the year of incorporation and the year thereafter. The dates and places of the Annual General Meetings shall be determined by the Board of Directors.
- 15. All General Meeting other than Annual General Meeting shall be called Extraordinary General Meetings.
- 16. The Board of Directors may whenever they think fit, convene an Extraordinary General Meeting and determine the time and place of the Extraordinary General Meeting. An Extraordinary General Meeting shall also be convened by the members who have the rights to vote in accordance with Section 113 of the Ordinance.

### **Notice of General Meetings**

- 17. At least Twenty-One days' notice in writing to convene every Annual General Meeting and every General Meeting to pass a Special Resolution, and at least fourteen days' notice in writing to convene every other General Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given), specifying the place, the day and the hour of meeting and, in the case of special business, the general nature of that business, shall be specified in the notice.
- 18. A General Meeting of the Association shall, notwithstanding that it is called by shorter notice than that specified in Article 17, be deemed to have been duly called if it is so agreed-

- (a) in case of the meeting being an Annual General Meeting, all the members entitled to attend and vote thereat shall agree to the shorter notice than that specified in Article 17; and
  - (b) in case any other meeting, by a majority in number of the members having the right to attend and vote agree to the shorter notice than that specified in Article 17, 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.
19. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any member who has the right to vote shall not invalidate the proceedings of any meeting.

### **Proceedings at General Meeting**

20. No business shall be transacted at any General Meeting unless a quorum of Members who are entitled to vote thereat is present at the time when the meeting proceeds to business, and continues to be present until the conclusion of the meeting; save as herein otherwise provided, a quorum shall consist of not less than one-half (1/2) of the Voting Members of the Association present personally.
21. All business shall be deemed special that is transacted at any Extraordinary General Meeting and all that is transacted at an Annual General Meeting, with the exception of the consideration of the balance sheet, the reports of the Board of Directors and auditors, the election of Directors and the appointment of the auditors and the fixing of their remuneration.
22. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case it shall stand adjourned to the same day in the next week at the same time and place, or other day, time and place that is determined by the Board of Directors and if at the adjourned meeting a quorum is not present within half an hour, all members present who are entitled to vote thereat shall be a quorum.
23. The Chairman (if any) or the Vice-Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Association. If there are no such posts, or at any meeting the Chairman or Vice-Chairman of the Board of Directors shall not be present within fifteen minutes after the time appointed for holding the meeting, or if they shall have previously notified the Association of their intention of not being the Chairman of the meeting, the Directors present shall choose one of the Directors to preside. If there is only one of the Directors present in the meeting, then he shall be the Chairman of the meeting. If no Director presents in the meeting, or the Directors present shall have previously notified the Association of their intention of not being the

Chairman of the meeting, the members present who are entitled to vote shall choose one of their member to preside.

24. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more or indefinite duration, notice of the adjourned meeting shall be given. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. When the meeting is adjourned indefinitely, the Board of Directors shall be entitled to determine the date, time and place of the adjourned meeting.

### **Votes of Members**

25. All Voting Members shall have the right to receive any notice of General Meeting and vote at the meeting.
26. Voting Members shall have the number of votes as determined under Article 9. 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 by :
- (a) the Chairman of the General Meeting; or
  - (b) at least two Members present in person or by proxy entitled to vote; or
  - (c) make up not less than 10 per cent of the total voting power of all of the Members who are entitled to vote, and one or several such members who present in person or by proxy.

Unless a poll is 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 of the proceedings of the Association, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favor of, or against, that resolution.

27. Unless there are other stipulations stated in Article 29, when a poll is demanded, the poll shall be taken in accordance with the specified time and form ordered by the Chairman, the result of the poll shall be deemed to be the resolution which is made by the demand of a poll.
28. No matter whether the questions in the meeting are decided by a show of hands or by poll, the Chairman shall be entitled to a second or casting vote in case of an equality of

votes.

29. A poll demanded on the election of a Chairman of the meeting, or on a question of adjournment, shall be taken forthwith.
30. Under the restriction of the Ordinance, a resolution in writing signed by all persons for the time being entitled to receive notice of and to attend and vote at any General Meetings shall be treated as a resolution duly passed at a General Meeting and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it is signed by the last member to sign, and where the resolution states a date as being the date of his signature thereof by any member the statement shall be prima facie evidence that it was signed by him on that date.
31. Any corporation which is a Voting Member of the Association may by resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the company or of any class of members of the company, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were a Voting Member of the Association.

### **Proxies**

32. The proxies shall not need to be the member of the Association.
33. The instrument appointing a proxy shall be signed by the appointor or the attorney of the appointor. If the appointor is a corporation, then the instrument appointing a proxy shall be affixed the seal or signed by a director of the corporation or the official attorney.
34. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or the power of attorney or authority being verified by a notary public or a copy of that power of attorney or authority shall be deposited at the office or any place within Hong Kong where it is specified as the place to keep these instrument in the notice of the meeting not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
35. The instrument appointing a proxy shall be deemed to confer authority to demand or participate in demanding a poll.
36. An instrument appointing a proxy shall be in the following form or as near thereto as

circumstances will admit or forms that are admitted by the Board of Directors :-

**ASIA PACIFIC ADVANCED NETWORK LIMITED**

I / WE \_\_\_\_\_  
of \_\_\_\_\_  
a member who is entitled to vote of the above-named Association hereby appoint \_\_\_\_\_  
of \_\_\_\_\_  
or failing him \_\_\_\_\_  
of \_\_\_\_\_  
to vote for me and on my behalf at the Annual General Meeting or Extraordinary  
General Meeting (as the case may be) to be held on the \_\_\_\_\_ day of  
200\_\_\_\_\_  
and at any adjournment thereof.

As witness my hand this \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_\_\_\_ .

37. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or the limits of authority of the instrument appointing the proxy, provided that no intimation in writing of the death, insanity or revocation or the limits of authority as aforesaid shall have been received at the office twenty-four hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

**Board of Directors**

38. Until otherwise determined in the General Meeting of the Association, the number of Directors shall be not be less than 3. The Founding Members of the Association shall be the first Directors.
39. Save and except the first Directors of the Associations, all other Directors shall be elected at the Annual General Meeting.

**Power of the Directors**

40. The operation of the Association shall be managed by the Directors, the Directors may pay for all fees incurred for the establishment or registration of the Association, the Directors may exercise all such powers of the Association and do on behalf of the Association all such acts as may be exercised and done by the Association and as are not by statutes or by these Articles required to be exercised or done by the Association in General Meeting subject nevertheless to any regulations of the Articles, to the provisions of the Ordinance for the time being in force and affecting the Association

and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Association in General Meeting, but no regulation made by the Association in General Meeting shall invalidate any prior act of the Association which would have been valid if such regulation had not been made.

41. The Directors shall have power to appoint contractors, managers, solicitors, accountants, bankers, agents, fund managers, clerks, workers, employees, servants or other agents to carry on all or any of the affairs of the Association stated in the Articles or the Directors are permitted to carry on including collecting and paying money.
42. The Directors shall have power at any time to appoint by powers of attorney or other instruments any person or body of persons to be the attorney or attorneys of the Association with such powers, authorities and discretions and for such period and subject such conditions as they may think fit (providing not exceed the authority of the Board of Directors stipulated in the Articles); and in these powers of attorneys the Board may include such provision which the Board of Directors may think fit to safeguard and for the convenience of those third parties having dealing with these attorneys and the Board of Directors may authorize any these attorneys to delegate all or any of his powers, authorities and discretions.
43. All cheques, promissory notes, banker's draft, draft and other negotiable instruments, and all receipts of payment to the Association shall be signed, given, accepted, endorsed or executed in such other way (as the case may be) to be resolved from time to time by the Board of Directors.
44. The Board of Directors shall have power to exercise all the borrowing powers of the Association and in order to guarantee all the debts, liabilities or obligations of the Association, the Board of Directors shall have power to exercise all the power to mortgage or charge the operation, or property of the Association and any part hereof and shall also have power to issue debenture.

The Association shall keep a proper record of those mortgages or charges of the property of the Association as security and register the above-mentioned mortgages or charges in such record in accordance with the provisions of the Ordinance.

#### **Disqualification of Directors**

45. The office of a Director shall be vacated, if the Director :
  - (a) takes any other profitable posts in the Association; or
  - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or

- (c) becomes prohibited from being a director by reason of any order made under the Ordinance; or
- (d) becomes of unsound mind; or
- (e) resigns his office by notice in writing to the Association; or
- (f) is absent from all the meetings that he should attend within six months without the consent of the Board of Directors; or
- (g) is asked to leave his office at the definite date by the Board of Directors; or
- (h) is directly or indirectly interested in any contract with the Association (that contract is a material contract in the affairs of the Association) and his interest is of crucial importance and fails to disclose the nature of his interest in manner required by Section 162 of the Ordinance.

#### **Interest of a Director**

46. If any Director who is directly or indirectly interested in any contract, he shall declare the nature of his interest at the first meeting of the Board of Directors at which the contract is considered. If the interest is acquired after that meeting, he shall declare his interest at the earliest meeting of the Board of Directors in the near future.

Any Director who strictly complies with the terms of this article, may enter into a contract with the Association or proceed with the transaction, and shall not lose his qualification of being a Director because of these contracts or transactions, he shall have no need to account for his profit which gained from these contracts or transactions to the Association because he is a Director.

Any Director shall not be entitled to vote on any question in respect of any contract which a Director has interest in it or any matter arised from it, if he casts his vote, his vote shall not be counted and he shall also not be counted in calculating the quorum of the Board of Directors.

#### **Change of the numbers of Directors and rotation of Directors**

47. The number of Directors may be increased or decreased by Ordinary Resolution in the General Meeting.
48. If there is any vacancy in the Board of Directors, the Directors in offices shall still exercise their powers, but if the number of Directors falls less than the minimum number stipulated in the Articles, the Directors in offices shall not act for any purposes other than convening General Meeting.

49. Except the first Directors, the Director shall hold office for a term of two years.
50. For the first Directors, 2 of them shall serve a term of 1 year while the remaining 3 of them shall serve a term of 2 years.
51. The Members who are entitled to vote may by Special Resolution remove any Director in the General Meeting before the expiration of his term of office and may appoint another qualified person to fill the vacancy. In respect of the date of retirement of the qualified person who fills the vacancy, it is deemed that such qualified person is appointed as if he was appointed at the date when his predecessor was last elected.

### **Proceedings of the Directors**

52. The Directors may, if they think fit, convene any meeting to transact any business, to adjourn any meeting and conduct any meeting in any other manners. The quorum necessary for the transaction of the business of the Board of Directors may be decided by the Directors. Unless there are other stipulations, the quorum of the meeting of the Board of Directors shall be more than 50% of the total number of Directors.
53. Questions arising at the meeting of the Board of Directors shall be decided by a majority of votes. In case of equality of votes the Chairman shall have a second or casting vote.
54. The members of the Board of Directors or the secretary may under the requisition of the Directors convene any meeting of the Board of Directors at any time. The notice of meeting shall be distributed seven days in advance of the meeting held, unless agreed by all Directors that there is no need to issue the notice within the time limit.
55. The Directors may elect one of the Directors to become the Chairman of the Directors and decide his term of office, but if no Chairman has yet been elected, or if at any meeting the Chairman shall not present within fifteen minutes after the time appointed, those Directors present shall choose from their member one Director to be the Chairman of the meeting.
56. Any written resolution that are signed by all of the Directors who are entitled to receive the notice of the meeting of the Board of Directors shall be deemed the valid resolution that is passed in the meeting of the Board of Directors.

### **Minutes**

57. The Director shall cause the following matters to be recorded in books provided for such purposes :-

- (a) all appointments of the Directors and senior staff;
- (b) the names of the Directors and Directors' Representatives present at every Board Meeting and Committee Meeting;
- (c) all resolutions and proceedings of the meetings of the Association, Board of Directors and Committee.

### **The Seal**

58. The Board of Directors shall be responsible for the safe custody of the Seal of the Association and making measures regarding the use of the Seal. The use of the Seal must be with the consent of the Board of Directors. Every instrument affixed with the Seal of the Association shall be signed by one of the Directors and the Secretary or any person who is assigned by the Board of Directors for such purpose.
59. The Association shall exercise all the authorities under Section 35 of the Ordinance and these authorities shall be exercised by the Board of Directors.

### **Secretary**

60. The Board of Directors shall appoint a Secretary for such term of office, remuneration and conditions as the Board of Directors think fit. Any Secretary so appointed may be removed by the Board of Directors.

### **Accounts**

61. The Directors shall cause proper books of account to be kept with respect to :-
- (a) sums of money received and expended by the Association and the matters in respect of which the receipt and expenditure takes place; and
  - (b) all the sales and purchases of the Association; and
  - (c) the assets and liabilities of the Association; and
  - (d) all entries which can show the state of affairs of the Association.

If the above-mentioned accounts is not kept to truly reflect the state of affairs of the Association and interpret the transactions which has been done, it shall not be deemed proper books of account have been kept in respect of the above matters.

62. The Board of Directors shall, from time to time, cause Income and Expenditure

Statement and balance sheet and reports to be prepared in accordance with the relevant provision of the Ordinance, and to be laid before the Association in General Meeting as referred to in the Ordinance.

63. The balance sheet (including the documents required by law to be annexed thereto) together with the Directors' and auditors' report which are to be laid before the Association in General Meeting shall be sent to every member who is entitled to vote and every holder of debenture not less than twenty-one days before the date of the meeting but this article shall not require a copy of those documents to be sent to a member who is entitled to vote or a holder of debentures of the Association whose address the Association is unaware and to more than one of the joint holders of any debentures.

#### **Auditors**

64. The appointment and duties of the auditor shall be in accordance with the relevant provision of the Ordinance.

#### **Notices**

65. A notice may be given by the Association to any Member either personally or by post or by electronic means such as facsimile transmission or e-mail transmission to his registered postal address, facsimile number or e-mail address.
66. Any Member described in the register of Members of the Association by an address not within Hong Kong, who shall from time to time give the Association an address within Hong Kong at which notice may be served upon him, shall be entitled to have notices served upon him at such address, but, save as aforesaid, and subject always to the provisions hereinbefore contained no Member other than a Member described in the register of Members by an address within Hong Kong shall be entitled to receive any notice from the Association.
67. When a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying postage and posting a letter containing the notice, and to have been effected at the expiration of one week after such letter containing the same was posted, in the case of a facsimile transmission or an e-mail transmission, shall be deemed to have been served at the time of dispatch.

#### **Indemnity**

68. Every Director, Secretary, auditor and other senior staff of the Association shall be indemnified by the Association against all losses and liabilities which any such Director, Secretary, member of the Committee, auditor and other senior staff may incur in any way in the discharge of his duties, and the amount required to discharge such indemnity

shall pay from the assets of the Association, provided that any such losses or liabilities shall not be incurred from any negligence, dereliction of duties or fraud of any such Director, Secretary, auditor and other senior staff.

### **Amendments**

69. Changes to these Articles shall be proposed by the Board of Directors and approved by the Members at a General Meeting.
70. Any such change of these Articles shall be displayed at the Registered Office for one week before recording them in the books for inspection of the Members and visitors.

### **Dissolution**

71. Dissolution of the Association by consent of the Members shall consist of unanimous agreement of all its directors together with a vote of at least 75% of all Voting Members, whether present or not, at a meeting which has been publicized in advance to all Members of the Association for the purpose of taking this vote.
72. The provisions of the Seventh Clause of the Memorandum of Association relating to the winding up of the Association shall have effect and be observed as if the same were repeated in these Articles.

**Names, Addresses and Descriptions of Signatories**

George Millar McLaughlin  
145 Taylors Creek Road  
Tarago NSW 2580  
Australia

Wu Jianping (吴建平)  
No. 5-3-501 Heqing Yuan  
Tsinghua University  
Haidian District, Beijing 100084  
China PRC  
Professor

Dated the 3rd day of August 2009.

WITNESS to the above signature :-

Solicitor, Hong Kong SAR  
23<sup>rd</sup> Floor, Admiralty Centre, Tower II,  
18 Harcourt Road,  
Hong Kong.