

**THE COMPANIES ORDINANCE  
(CAP. 622, LAWS OF HONG KONG)**

**COMPANY LIMITED BY SHARES**

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**AMENDED AND RESTATED ARTICLES OF ASSOCIATION  
OF  
Bank of Communications (Hong Kong) Limited  
交通銀行(香港)有限公司  
(THE "COMPANY")**

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(as amended by the special resolution passed on 22 July 2019)

## **Interpretation**

### **1. GENERAL**

The regulations contained in the Second Schedule to the Companies (Model Articles) Notice (Cap.622H) shall not apply to the Company.

### **2. INTERPRETATION**

#### **2.1 In these Articles:**

**"alternate"** and **"alternate Director"** mean a person appointed by a Director as an alternate under Article 30.1;

**"appointor"**, is defined in Article 30.1;

**"Articles"** means the articles of association of the Company in their present form or as altered from time to time;

**"associated company"** means:

- (a) a subsidiary of the Company;
- (b) a holding company of the Company; or
- (c) a subsidiary of such a holding company;

**"business day"** means a day that is not:

- (a) a Saturday;
- (b) a general holiday for the purposes of the Holidays Ordinance (Cap. 149); or
- (c) a gale warning day or a black rainstorm warning day as defined by section 71(2) of the Interpretation and General Clauses Ordinance (Cap. 1);

**"call"** or **"call notice"**, is defined in Article 65.1;

**"Chairman"** means the chairman of the board of Directors.

**"common seal"** means the common seal of the Company;

**"company secretary"** means any person appointed to perform the duties of the secretary of the Company;

**"distribution recipient"**, is defined in Article 87.2;

**"Directors"** means the directors for the time being of the Company;

**"fully paid"**, in relation to a share, means the price at which the share was issued has been fully paid to the company;

**"holder"**, in relation to a share, means the person whose name is entered in the register of members as the holder of the share;

"**lien enforcement notice**", is defined in Article 64.1;

"**Management Committee**" means a committee set up pursuant to Article 8.1;

"**Ordinance**" means the Companies Ordinance (Cap. 622), as the same may be amended from time to time and includes every other ordinance incorporated therewith or substituted therefor; and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new ordinance);

"**paid**" means paid or credited as paid;

"**participate**", in relation to a Directors' meeting, has the meaning given to it in Article 12.1;

"**partly paid**", in relation to a share, means part of the price at which the share was issued remains unpaid;

"**proxy notice**", is defined in Article 47.1;

"**register of members**" means the register of members of the Company;

"**required sanction**", is defined in Article 99.3; and

"**transmittee**" means a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law.

- 2.2 Expressions used in these Articles referring to "**in writing**" or "**written**" means, unless the contrary intention appears, the representation of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
- 2.3 Any document (e.g. instrument, document, resolution, notice or form) or information (in whatever format) signed, executed, sent, delivered or otherwise supplied (in whatever mode of communication) pursuant to these Articles must be authenticated. For the purposes of these Articles, unless the contrary intention appears, a document or piece of information is sufficiently "**authenticated**" if it is authenticated in any way in which the Ordinance provides for documents or information to be authenticated for the purposes of the Ordinance. If any document or information is executed, signed, sent, delivered or otherwise supplied by a person on behalf of another person in favour of or to the Company, it must be accompanied by written evidence of the first person's authority to act on behalf of the second person.
- 2.4 Unless the context otherwise requires, words or expressions used in these Articles and not otherwise defined in these Articles have the same meaning as in the Ordinance as in force on the date these Articles become binding on the company.
- 2.5 If not inconsistent with the subject or context, words importing any gender in these Articles shall include all other genders and the singular number shall include the plural, and vice versa; and references to a person shall include any corporation or other body corporate, firm, government, state, joint venture association, partnership,

council or employee representative body (whether or not having separate legal personality).

- 2.6 The headings in these Articles do not affect their interpretation.

### **Name, Registered Office, Members' Liability and Share Capital etc. of the Company**

#### **3. BASIC INFORMATION OF THE COMPANY**

- 3.1 The name of the Company is "Bank of Communications (Hong Kong) Limited 交通銀行(香港)有限公司".
- 3.2 The location of the first registered office of the Company is 20 Pedder Street, Central, Hong Kong. The Directors may from time to time change the location of the registered office.
- 3.3 The liability of the sole member is limited to any amount unpaid on the shares held by the sole member.
- 3.4 The share capital of the Company is HK\$17,900,000,000.00. 17,900,000,000.00 shares have been subscribed by and issued to the sole founder member, all of which have been regarded as fully paid.

### **Private Company**

#### **4. COMPANY IS PRIVATE COMPANY**

- 4.1 The Company is a private company limited by shares and accordingly:
- 4.1.1 a member's right to transfer shares is restricted in the manner specified in these Articles;
  - 4.1.2 the number of members of the Company is limited to 50; and
  - 4.1.3 any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.
- 4.2 The Directors may in their discretion refuse to register the transfer of a share, whether or not it is a fully paid share.
- 4.3 In Article 4.1.2, "**member**" excludes:
- 4.3.1 a member who is an employee of the Company; and
  - 4.3.2 a person who was a member while being an employee of the Company and who continues to be a member after ceasing to be such an employee.

## **Directors and Company Secretary**

### **5. DIRECTORS' AUTHORITY**

- 5.1 Subject to the Ordinance and these Articles, the business and affairs of the Company are managed by the Directors, who may exercise all the powers of the Company.
- 5.2 An alteration of these Articles does not invalidate any act of the Directors prior to the making of such alteration that would have been valid before the making of the alteration.
- 5.3 The powers given by this Article 5 are not limited by any other power given to the Directors by other provisions of these Articles.
- 5.4 A Directors' meeting at which a quorum is present or, subject to Article 9.2, the sole Director may exercise all powers exercisable by the Directors.

### **6. SOLE MEMBER'S RESERVE POWER**

- 6.1 The sole member may, by resolution, direct the Directors to take, or refrain from taking, any specified action.
- 6.2 The sole member's resolution does not invalidate anything that the Directors have done before the passing of the resolution.

### **7. DIRECTORS MAY DELEGATE**

- 7.1 Subject to these Articles, the Directors may, if they think fit, delegate any of the powers that are conferred on them under these Articles:
  - 7.1.1 to any person or committee;
  - 7.1.2 by any means (including by power of attorney);
  - 7.1.3 to any extent and without territorial limit;
  - 7.1.4 in relation to any matter; and
  - 7.1.5 on any terms and conditions,

provided that, if the Management Committee is formed, the Directors may delegate its powers (any or all) in relation to matters concerning the day-to-day operations of the Company only to the Management Committee or any member of the Management Committee.

- 7.2 If the Directors so specify, the delegation may authorise further delegation of the Directors' powers by any person or committee to whom they are delegated.
- 7.3 Where a provision in these Articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee or a member of a committee, the provision shall be

construed as permitting the exercise of the power, authority or discretion by the committee or a member of a committee.

7.4 The Directors may:

7.4.1 revoke the delegation wholly or in part; or

7.4.2 revoke or alter its terms and conditions.

## 8. **COMMITTEES**

8.1 The Directors may set up a Management Committee comprising of Directors and/or management personnel of the Company as the Directors consider appropriate, and may delegate any or all of the Directors' powers to such Management Committee or any member (whether or not such person is a Director) of such Management Committee as the Directors think fit.

8.2 The Directors may make rules providing for the conduct of business of the Management Committee and any other committee to which they have delegated any of their powers.

8.3 The committees must comply with the rules in exercise of the powers so delegated, and shall be subject to such conditions that may be imposed on them by the Directors.

## 9. **DIRECTORS TO TAKE DECISION COLLECTIVELY**

9.1 Subject to Article 9.2, a decision of the Directors may only be taken:

9.1.1 by a majority of the Directors at a Directors' meeting; or

9.1.2 in the form of a Directors' written resolution in accordance with Article 10.

9.2 If:

9.2.1 the Company only has one Director for the time being; and

9.2.2 no provision of these Articles requires it to have more than one Director,

that Director may (for so long as he remains the sole Director) exercise all the powers conferred on the Directors by these Articles by any means permitted under the Ordinance. For the purpose of Article 13, the quorum for the transaction of business by a sole Director is one, and all other provisions of these Articles apply with any necessary modification (unless a provision expressly provides otherwise).

## 10. **ADOPTION OF DIRECTORS' WRITTEN RESOLUTIONS**

10.1 A proposed Directors' written resolution is adopted when a majority of the eligible Directors have signed one or more copies of it or have otherwise indicated their agreement in writing to it.

10.2 A Director indicates his agreement in writing to a proposed Directors' written resolution when the Company receives from him in writing identifying the resolution

to which it relates and indicating the Director's agreement to the resolution. Once a Director has so indicated his agreement, it may not be revoked.

- 10.3 A written resolution signed by an alternate Director (or to which an alternate Director otherwise indicates his agreement in writing) need not also be signed by his appointor and, if it is signed by his appointor (or his appointor otherwise indicates his agreement to it in writing), it need not be signed by the alternate Director in that capacity.
- 10.4 Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a Directors' meeting in accordance with these Articles.
- 10.5 A reference in this Article to eligible Directors is a reference to Directors who would have been entitled to vote on the matter if it had been proposed as a resolution at a Directors' meeting.
- 10.6 A decision may not be taken in accordance with this Article if the eligible Directors would not have formed a quorum at a Directors' meeting.

## 11. **CALLING DIRECTORS' MEETINGS**

- 11.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorizing the company secretary to give such notice.
- 11.2 Notice of a Directors' meeting must indicate:
  - 11.2.1 its proposed date and time;
  - 11.2.2 where it is to take place; and
  - 11.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 11.3 Notice of a Directors' meeting must be given to each Director.
- 11.4 Notice of a Directors' meeting need not be given to a Director who waives his entitlement to receive notice of that meeting by giving notice to that effect to the Company at any time prior to or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## 12. **PARTICIPATION IN DIRECTORS' MEETINGS**

- 12.1 Subject to these Articles, Directors "**participate**" in a Directors' meeting, or part of a Directors' meeting, when:
  - 12.1.1 the meeting has been called and takes place in accordance with these Articles; and
  - 12.1.2 they can each communicate to each other any information or opinions they have on any particular item of the business of the meeting.

12.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where each Director is and how they communicate with each other.

12.3 If all the Directors participating in a Directors' meeting are not in the same place, they may regard the meeting as taking place wherever any one of them is.

### **13. QUORUM FOR DIRECTORS' MEETINGS**

13.1 At a Directors' meeting, unless the participating Directors form a quorum, no proposal is to be voted on, except a proposal to call another meeting.

13.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors and unless otherwise fixed it is a majority in number of Directors for the time being (or one if the Company has only one Director).

### **14. MEETINGS IF TOTAL NUMBER OF DIRECTORS LESS THAN QUORUM**

14.1 If the total number of Directors for the time being is less than the quorum required for Directors' meetings, the Directors must not take any decision other than a decision:

14.1.1 to appoint further Directors; or

14.1.2 to call a general meeting so as to enable the sole member to appoint further Directors.

### **15. CHAIRING OF DIRECTORS' MEETINGS**

15.1 The Directors may appoint a Director to chair their meetings.

15.2 The person appointed for the time being is known as the chairperson.

15.3 The Directors may terminate the appointment of the chairperson at any time.

15.4 If the chairperson is not participating in a Directors' meeting within 10 minutes of the time at which it was to start or is unwilling to chair the meeting, the participating Directors may appoint one of themselves to chair it.

15.5 The Chairman of the board of Directors appointed pursuant to Article 25 will act as chairperson of all meeting of the Directors, unless a chairperson is appointed under this Article for any particular meeting.

### **16. CHAIRPERSON HAS NO CASTING VOTE AT DIRECTORS' MEETINGS**

16.1 If the numbers of votes for and against a proposal are equal, the chairperson or other Director chairing the Directors' meeting shall not be entitled to a casting vote.

### **17. ALTERNATES VOTING AT DIRECTORS' MEETINGS**

17.1 A Director who is also an alternate Director has an additional vote on behalf of each appointor who:

17.1.1 is not participating in a Directors' meeting; and



17.1.2 would have been entitled to vote if he were participating in it.

## 18. **CONFLICTS OF INTEREST**

18.1 This Article applies if:

18.1.1 a Director is in any way (directly or indirectly) interested in a transaction, arrangement or contract with the Company that is significant in relation to the Company's business; and

18.1.2 the Director's interest is material.

18.2 The Director must declare the nature and extent of the Director's interest to the other Directors in accordance with section 536 of the Ordinance.

18.3 Notwithstanding his interest, the Director (or the Director's alternate) shall be:

18.3.1 entitled to vote in respect of the transaction, arrangement or contract in which he is so interested, including but not limited to in particular the appointment of himself or any other Director to any office or place of profit under the Company and the terms of any such appointment; and

18.3.2 counted for quorum purposes in respect of the transaction, arrangement or contract.

18.4 A reference in this Article to a transaction, arrangement or contract includes a proposed transaction, arrangement or contract.

## 19. **SUPPLEMENTARY PROVISIONS AS TO CONFLICTS OF INTEREST**

19.1 A Director may hold any other office or position of profit under the Company (other than the office of auditor and if the Company has only one Director, the office of company secretary) in conjunction with the office of Director for a period and on terms (as to remuneration or otherwise) that the Directors determine.

19.2 A Director or intending Director is not disqualified by the office of Director from contracting with the Company:

19.2.1 with regard to the tenure of the other office or position of profit mentioned in Article 19.1; or

19.2.2 as vendor, purchaser or otherwise.

19.3 The contract mentioned in Article 19.2 or any transaction, arrangement or contract entered into by or on behalf of the Company in which any Director is in any way interested is not liable to be avoided.

19.4 A Director who has entered into a contract mentioned in Article 19.2 or is interested in a transaction, arrangement or contract mentioned in Article 19.3 is not liable to account to the Company for any profit realised by the transaction, arrangement or contract by reason of:

- 19.4.1 the Director holding the office; or
- 19.4.2 the fiduciary relation established by the office.
- 19.5 Articles 19.1, 19.2, 19.3 or 19.4 only applies if the Director has declared the nature and extent of the Director's interest to the other Directors in accordance with section 536 of the Ordinance.
- 19.6 A Director of the Company may be a Director or other officer of, or be otherwise interested in:
  - 19.6.1 any company promoted by the Company; or
  - 19.6.2 any company in which the Company may be interested as shareholder or otherwise.
- 19.7 Subject to the Ordinance, the Director is not accountable to the Company for any remuneration or other benefits received by the Director as a director or officer of, or from the Director's interest in, the other company unless the Company otherwise directs.

## 20. **VALIDITY OF ACTS OF MEETING OF DIRECTORS**

- 20.1 The acts of any meeting of Directors or of a committee of Directors or of the Management Committee or the acts of any person acting as a Director are as valid as if the Directors, the person or committee had been duly appointed as a Director and was qualified to be a Director, even if it is afterwards discovered that:
  - 20.1.1 there was a defect in the appointment of any of the Directors or of the person acting as a Director;
  - 20.1.2 any one or more of them were not qualified to be a Director or were disqualified from being a Director;
  - 20.1.3 any one or more of them had ceased to hold office as a Director; or
  - 20.1.4 any one or more of them were not entitled to vote on the matter in question.

## 21. **RECORD OF DIRECTORS' DECISIONS TO BE KEPT**

- 21.1 The Directors must ensure that the Company keeps written records comprising:
  - 21.1.1 all appointments of officers made by the Directors;
  - 21.1.2 the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
  - 21.1.3 every decision taken by the Directors under Article 9.1; and
  - 21.1.4 all resolutions and proceedings at all meetings of the Directors and of committees of the Directors.

21.2 The Company must keep the written records under Article 21.1 for at least 10 years from the date of the appointment, resolution, meeting or decision, as the case may be.

## 22. **DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

22.1 Subject to these Articles, the Directors may make any rule that they think fit about:

22.1.1 how they take decisions; and

22.1.2 how the rules are to be recorded or communicated to Directors.

## 23. **APPOINTMENT AND RETIREMENT OF DIRECTORS**

23.1 Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate Directors) is not subject to a maximum and the minimum number is one.

23.2 A person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

23.2.1 by ordinary resolution; or

23.2.2 by a decision of the Directors.

23.3 Unless otherwise specified in the appointment, a Director appointed under Article 23.2.1 holds office for an unlimited period of time.

23.4 An appointment under Article 23.2.2 may only be made to:

23.4.1 fill a casual vacancy; or

23.4.2 appoint a Director as an addition to the existing Directors if the total number of Directors does not exceed the number fixed, if any, in accordance with these Articles.

23.5 A Director appointed under Article 23.2.2 must:

23.5.1 retire from office at the next annual general meeting following the appointment; or

23.5.2 if the Company has dispensed with the holding of annual general meetings or is not required to hold annual general meetings, retire from office before the end of 9 months after the end of the Company's financial year in which the Director was appointed.

## 24. **RETIRING DIRECTOR ELIGIBLE FOR REAPPOINTMENT**

A retiring Director is eligible for reappointment to the office.

## 25. **CHAIRMAN OF THE BOARD OF DIRECTORS**

The Directors may elect a Director to act as chairman of the board of Directors from time to time.

**26. COMPOSITE RESOLUTION**

- 26.1 This Article applies if proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any other body corporate.
- 26.2 The proposals may be divided and considered in relation to each Director separately.
- 26.3 Each of the Directors concerned is entitled to vote (if the Director is not for another reason precluded from voting) and be counted in the quorum in respect of each resolution except that concerning the Director's own appointment.

**27. TERMINATION OF DIRECTOR'S APPOINTMENT**

- 27.1 Subject to sections 462 and 463 of the Ordinance, the Company may by ordinary resolution at any time remove a Director notwithstanding any agreement that he may have with the Company.
- 27.2 A person ceases to be a Director if the person:
  - 27.2.1 ceases to be a Director under the Ordinance or the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) or is prohibited from being a Director by law;
  - 27.2.2 becomes bankrupt or makes any arrangement or composition with the person's creditors generally;
  - 27.2.3 becomes a mentally incapacitated person;
  - 27.2.4 resigns from the office of Director by notice in writing of the resignation in accordance with section 464(5) of the Ordinance;
  - 27.2.5 for more than 6 months has been absent without the Directors' permission from Directors' meetings held during that period; or
  - 27.2.6 is removed from the office of Director by an ordinary resolution of the Company in accordance with Article 27.1.

**28. DIRECTORS' REMUNERATION**

- 28.1 Directors' remuneration (in addition to any remuneration payable to a Director for his services to the Company as an executive or employee of the Company) must be determined by the Company at a general meeting.
- 28.2 A Director's remuneration may:
  - 28.2.1 take any form permitted by law or any relevant regulatory authority; and
  - 28.2.2 include any arrangements in connection with the payment of a retirement benefit to or in respect of that Director.
- 28.3 Directors' remuneration accrues from day to day.

29. **DIRECTORS' EXPENSES**

29.1 The Company may pay any travelling, accommodation and other expenses properly incurred by Directors in connection with:

29.1.1 their attendance at:

- (a) meetings of Directors or committees of Directors;
- (b) general meetings; or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company; or

29.1.2 the exercise of their powers and the discharge of their responsibilities in relation to the Company.

30. **APPOINTMENT AND REMOVAL OF ALTERNATES**

30.1 A Director (the "**appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors. Any such appointment may be special, that is limited to a particular meeting, or general, that is effective until determined.

30.2 An alternate may exercise the powers and carry out the responsibilities of the alternate's appointor, in relation to the taking of decisions by the Directors in the absence of the alternate's appointor.

30.3 An appointment or removal of an alternate by the alternate's appointor must be effected:

30.3.1 by notice to the Company; or

30.3.2 in any other manner approved by the Directors.

30.4 The notice must:

30.4.1 identify the proposed alternate to be appointed or removed; and

30.4.2 if it is a notice of appointment, contain a statement authenticated by the proposed alternate indicating the proposed alternate's willingness to act as the alternate of the appointor.

30.5 Any person appointed as an alternate Director under this Article 30 may act as an alternate Director for more than one Director.

31. **RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

31.1 An alternate Director has the same rights as the alternate's appointor in relation to any decision taken by the Directors under Article 9.1.

- 31.2 Unless these Articles specify otherwise, alternate Directors:
- 31.2.1 are deemed for all purposes to be Directors;
  - 31.2.2 are liable for their own acts and omissions;
  - 31.2.3 are subject to the same restrictions as their appointors; and
  - 31.2.4 are deemed to be agents of or for their appointors.
- 31.3 Subject to Article 18.3, a person who is an alternate Director but is not also a Director:
- 31.3.1 may be counted as participating for determining whether a quorum is participating (but only if that person's appointor is not participating); and
  - 31.3.2 may sign or otherwise indicates his agreement to a written resolution (but only if his appointor has not signed or otherwise indicated his agreement to it in circumstances where he would have been entitled to do so),
- and may be counted as more than one Director for such purposes.
- 31.4 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director. But the alternate's appointor may, by notice in writing made to the Company, direct that any part of the appointor's remuneration be paid to the alternate.

## 32. **TERMINATION OF ALTERNATE DIRECTORSHIP**

- 32.1 An alternate Director's appointment as an alternate terminates:
- 32.1.1 if the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - 32.1.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
  - 32.1.3 on the death of the alternate's appointor; or
  - 32.1.4 when the alternate's appointor's appointment as a Director terminates.
- 32.2 If the alternate was not a Director when appointed as an alternate, the alternate's appointment as an alternate terminates if:
- 32.2.1 the Directors' approval under Article 30.1 is withdrawn or revoked; or
  - 32.2.2 the Company by an ordinary resolution passed at a general meeting terminates the appointment.

## 33. **INDEMNITY**

- 33.1 A Director or former Director of the Company may be indemnified out of the Company's assets against any liability incurred by the Director to a person other than

the Company or an associated company of the Company in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or associated company (as the case may be).

33.2 Article 33.1 only applies if the indemnity does not cover:

33.2.1 any liability of the Director to pay:

- (a) a fine imposed in criminal proceedings; or
- (b) a sum payable by way of a penalty in respect of non-compliance with any requirement of a regulatory nature; or

33.2.2 any liability incurred by the Director:

- (a) in defending criminal proceedings in which the Director is convicted;
- (b) in defending civil proceedings brought by the Company, or an associated company of the Company, in which judgment is given against the Director;
- (c) in defending civil proceedings brought on behalf of the Company by a member of the Company or of an associated company of the Company, in which judgment is given against the Director;
- (d) in defending civil proceedings brought on behalf of an associated company of the 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 Director; or
- (e) in connection with an application for relief under section 903 or 904 of the Ordinance in which the Court refuses to grant the Director relief.

33.3 A reference in Article 33.2.2 to a conviction, judgment or refusal of relief is a reference to the final decision in the proceedings.

33.4 For the purposes of Article 33.3, a conviction, judgment or refusal of relief:

33.4.1 if not appealed against, becomes final at the end of the period for bringing an appeal; or

33.4.2 if appealed against, becomes final when the appeal, or any further appeal, is disposed of.

33.5 For the purposes of Article 33.4.2, an appeal is disposed of if:

33.5.1 it is determined, and the period for bringing any further appeal has ended; or

33.5.2 it is abandoned or otherwise ceases to have effect.

34. **INSURANCE**

34.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for a Director, or a director of an associated company of the Company, against:

34.1.1 any liability to any person attaching to the Director in connection with any negligence, default, breach of duty or breach of trust (except for fraud) in relation to the Company or associated company (as the case may be); or

34.1.2 any liability incurred by the Director in defending any proceedings (whether civil or criminal) taken against the Director for any negligence, default, breach of duty or breach of trust (including fraud) in relation to the Company or associated company (as the case may be).

35. **APPOINTMENT AND REMOVAL OF COMPANY SECRETARY**

35.1 Subject to the Ordinance, the company secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any company secretary so appointed may be removed by the Directors.

35.2 A provision of the Ordinance or these Articles requiring or authorising a thing to be done by or to a Director and the company secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the company secretary.

35.3 A Director of the Company may be the company secretary except that where he is the sole Director he shall not also be the company secretary.

35.4 If the Company has only one Director, the Company shall not appoint as company secretary a body corporate the sole director of which is also the sole Director of the Company.

**Decision-taking by the Sole Member**

36. **GENERAL MEETINGS**

36.1 Pursuant to section 612(2)(a) of the Ordinance, so long as the Company has only one member, the Company is not required to hold annual general meetings.

36.2 The Directors may, if they think fit, call a general meeting.

36.3 If the Directors are required to call a general meeting under section 566 of the Ordinance, they must call it in accordance with section 567 of the Ordinance.

36.4 If the Directors do not call a general meeting in accordance with section 567 of the Ordinance, the sole member may itself call a general meeting in accordance with section 568 of the Ordinance.

37. **NOTICE OF GENERAL MEETINGS**

37.1 An annual general meeting must be called by notice of at least 21 days in writing.



- 37.2 A general meeting other than an annual general meeting must be called by notice of at least 14 days in writing.
- 37.3 The notice is exclusive of:
- 37.3.1 the day on which it is served or deemed to be served; and
  - 37.3.2 the day for which it is given.
- 37.4 The notice must:
- 37.4.1 specify the date and time of the meeting;
  - 37.4.2 specify the place of the meeting (and if the meeting is to be held in two or more places, the principal place of the meeting and the other place or places of the meeting);
  - 37.4.3 state the general nature of the business to be dealt with at the meeting;
  - 37.4.4 for a notice calling an annual general meeting, state that the meeting is an annual general meeting;
  - 37.4.5 if a resolution (whether or not a special resolution) is intended to be moved at the meeting, include notice of the resolution;
  - 37.4.6 if a special resolution is intended to be moved at the meeting, specify the intention and include the text of the special resolution; and
  - 37.4.7 contain a statement specifying the member's right to appoint a proxy under section 596(1) and (3) of the Ordinance.
- 37.5 Article 37.4.5 does not apply in relation to a resolution of which notice has been included in the notice of the meeting under section 567(3) or 568(2) of the Ordinance.
- 37.6 Despite the fact that a general meeting is called by shorter notice than that specified in this Article, it is regarded as having been duly called if it is so agreed by the sole member.

### **38. PERSONS ENTITLED TO RECEIVE NOTICE OF GENERAL MEETINGS**

- 38.1 Notice of a general meeting must be given to:
- 38.1.1 the sole member; and
  - 38.1.2 every Director.
- 38.2 In Article 38.1, the reference to a member includes a transmittee, if the company has been notified of the transmittee's entitlement to a share.
- 38.3 If notice of a general meeting or any other document relating to the meeting is given to the sole member, the company must give a copy of it to its auditor (and if more than one auditor, to every one of them) at the same time as the notice or the other document is given to the member.

**39. ACCIDENTAL OMISSION TO GIVE NOTICE OF GENERAL MEETINGS**

Any accidental omission to give notice of a general meeting to, or any non-receipt of notice of a general meeting by, any person entitled to receive notice does not invalidate the proceedings at the meeting.

**40. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

40.1 A person is able to exercise the right to speak at a general meeting when the person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions that the person has on the business of the meeting.

40.2 A person is able to exercise the right to vote at a general meeting when the person is able to vote, during the meeting, on resolutions put to the vote at the meeting.

40.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

**41. QUORUM FOR GENERAL MEETINGS**

41.1 So long the Company has only one member, the sole member present in person or by proxy (or if the sole member is a corporation, a duly authorised representative of the sole member constitutes a quorum at a general meeting.

41.2 No business other than the appointment of the chairperson of the meeting is to be transacted at a general meeting if the quorum is not met.

**42. CHAIRING GENERAL MEETINGS**

42.1 If the Chairman of the board of Directors is present at a general meeting and is willing to preside as chairperson at the meeting, the meeting is to be presided over by him or her.

42.2 The Directors present at a general meeting must elect one of themselves to be the chairperson if:

42.2.1 there is no Chairman of the board of Directors;

42.2.2 the Chairman is not present within 15 minutes after the time appointed for holding the meeting;

42.2.3 the Chairman is unwilling to act; or

42.2.4 the Chairman has given notice to the Company of the intention not to attend the meeting.

42.3 The sole member present at a general meeting must act as the chairperson if:

42.3.1 no Director is willing to act as chairperson; or

42.3.2 no Director is present within 15 minutes after the time appointed for holding the meeting.

43. **ATTENDANCE AND SPEAKING BY NON-MEMBERS**

- 43.1 Directors may attend and speak at general meetings, whether or not they are members of the Company.
- 43.2 The chairperson of a general meeting may permit other persons to attend and speak at a general meeting even though they are not:
- 43.2.1 the sole member of the Company; or
  - 43.2.2 otherwise entitled to exercise the rights of the sole member in relation to general meetings.

44. **ADJOURNMENT**

- 44.1 If a quorum is not present within half an hour from the time appointed for holding a general meeting, the meeting must:
- 44.1.1 if called on the request of the sole member, be dissolved; or
  - 44.1.2 in any other case, be adjourned to the same day in the next week, at the same time and place, or to another day and at another time and place that the Directors determine.
- 44.2 The chairperson may adjourn a general meeting at which a quorum is present if:
- 44.2.1 the meeting consents to an adjournment; or
  - 44.2.2 it appears to the chairperson that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 44.3 The chairperson must adjourn a general meeting if directed to do so by the meeting, and must specify the date, time and place to which it is adjourned.
- 44.4 Only the business left unfinished at the general meeting may be transacted at the adjourned meeting.
- 44.5 If a general meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as for an original meeting.
- 44.6 If a general meeting is adjourned for less than 30 days, it is not necessary to give any notice of the adjourned meeting.

45. **GENERAL RULES ON VOTING**

- 45.1 A resolution put to the vote of a general meeting must be decided on a show of hand of the sole member or person who is otherwise entitled to exercise the rights of the sole member, unless a poll is duly demanded in accordance with the Ordinance.
- 45.2 A declaration by the chairperson or an entry in respect of the declaration in the minutes of the general meeting that the resolution has or has not been passed are

conclusive evidence of that fact without proof of the vote recorded in favour of or against the resolution.

#### 46. **ERRORS AND DISPUTES**

46.1 Any objection to the qualification of any person voting at a general meeting may only be raised at the meeting or adjourned meeting at which the vote objected to is tendered, and a vote not disallowed at the meeting is valid.

46.2 Any objection must be referred to the chairperson of the meeting whose decision is final.

46.3 If at any general meeting any error is made in the counting of votes whether by failure to count any vote which ought to have been counted or by counting votes which ought not to have been counted, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting and is, in the opinion of the chairperson of the meeting, of sufficient magnitude to vitiate the result of the voting.

#### 47. **CONTENT OF PROXY NOTICES**

47.1 A proxy may only validly be appointed by the sole member with a notice in writing (the "**proxy notice**") that:

47.1.1 identifies the person appointed to be the sole member's proxy and the general meeting in relation to which that person is appointed; and

47.1.2 is delivered to the Company in accordance with these Articles.

47.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

47.3 A proxy notice may specify how the proxy appointed under it is to vote (or that the proxy is to abstain from voting) on one or more resolutions dealing with any business to be transacted at a general meeting.

47.4 Unless a proxy notice indicates otherwise, it must be regarded as:

47.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the general meeting; and

47.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### 48. **DELIVERY OF PROXY NOTICE AND NOTICE REVOKING APPOINTMENT OF PROXY**

48.1 A proxy notice does not take effect unless it is received by the company

48.1.1 at least 48 hours before the time appointed for holding the meeting or adjourned meeting (or such later time as the Directors shall determine).

48.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

48.3 A notice revoking the appointment only takes effect if it is received by the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### 49. **EFFECT OF MEMBER'S VOTING IN PERSON ON PROXY'S AUTHORITY**

49.1 A proxy's authority in relation to a resolution is to be regarded as revoked if the member who has appointed the proxy:

49.1.1 attends in person the general meeting at which the resolution is to be decided; and

49.1.2 exercises, in relation to the resolution, the voting right attached to the shares in respect of which the proxy is appointed.

49.2 A member who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of the meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of the member.

#### 50. **EFFECT OF PROXY VOTES IN CASE OF MEMBER APPOINTING PROXY REVOKING APPOINTMENT OR TRANSFERRING SHARES**

50.1 A vote given in accordance with the terms of a proxy notice is valid despite:

50.1.1 the revocation of the appointment of the proxy or of the authority under which the appointment of the proxy is executed; or

50.1.2 the transfer of the share in respect of which the proxy is appointed.

50.2 Article 50.1 does not apply if notice in writing of the revocation or transfer is received by the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### 51. **CORPORATE REPRESENTATIVES**

51.1 Any body corporate which is a member of the Company may, by resolution of its directors or other governing body, authorise any person it thinks fit to act as its representative at any meeting of the Company.

51.2 Any person so authorised is entitled to exercise the same powers on behalf of the body corporate as that body corporate could exercise if it were an individual member of the Company, for example:

51.2.1 in relation to meetings of the Company or of any class of members of the Company, the right to waive any informality in the convening of the meeting and the right to consent on behalf of the body corporate to the meeting being

held and to special resolutions being passed notwithstanding that short notice thereof has been given;

51.2.2 the power to sign resolution in writing on behalf of the body corporate; and

51.2.3 to sign proxy notice on behalf of the body corporate.

51.3 The written evidence of the authority of the corporate representative to act on behalf of the body corporate member must be supplied to the Company.

## **52. AMENDMENTS TO PROPOSED RESOLUTIONS**

52.1 An ordinary or special resolution to be proposed at a general meeting may be amended by ordinary resolution if:

52.1.1 notice of the proposed amendment is given to the company secretary in writing; and

52.1.2 the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.

52.2 The notice must be given by a person entitled to vote at the general meeting at which it is to be proposed at least 48 hours before the meeting is to take place (or a later time the chairperson of the meeting determines).

52.3 If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the vote on that resolution remains valid unless the Court orders otherwise.

## **53. CLASS MEETINGS**

53.1 The provisions of these Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

## **54. WRITTEN RESOLUTIONS BY THE SOLE MEMBER OF THE COMPANY**

54.1 Anything which may be done by a resolution passed at a general meeting of the Company or by a resolution passed at a meeting of a class of members of the Company may be done, without a meeting and without any previous notice being required, by resolution in writing signed by or on behalf of the sole member of the Company who at the date of the resolution would be entitled to attend and vote at such meeting.

54.2 A resolution agreed to in accordance with this Article has effect as if passed by the Company in general meeting.

## **55. RECORD OF SOLE MEMBER'S DECISIONS TO BE KEPT**

55.1 The Company must keep (and the Directors must ensure the Company keeps) written records comprising:

- 55.1.1 copies of all resolutions of the sole member passed otherwise than at general meetings;
  - 55.1.2 minutes of all proceedings of general meetings; and
  - 55.1.3 all written records provided to the Company in accordance with section 617(2) of the Ordinance or section 116BC(1) of the predecessor Ordinance.
- 55.2 The Company must keep the copy, minutes or written record under Article 56.1 for at least 10 years from the date of the resolution, meeting or decision, as the case may be.
56. **WRITTEN RECORD OF DECISION OF SOLE MEMBER**
- 56.1 This Article applies if the Company has only one member and the sole member takes any decision that:
- 56.1.1 may be taken by the Company at a general meeting; and
  - 56.1.2 has effect as if agreed by the Company at a general meeting.
- 56.2 The sole member must provide the Company with a written record of the decision within 7 days after the decision is made. Such written record shall be sufficient evidence of the decision having been taken by the member but the failure by the member to provide the written record shall not affect the validity of the decision.
- 56.3 The sole member is not required to comply with Article 56.2 if the decision is taken by way of a resolution in writing.

### **Shares and Distributions**

57. **POWERS TO ISSUE DIFFERENT CLASSES OF SHARES**

- 57.1 Without affecting any special rights previously conferred on the holders of any existing shares or class of shares, the Company may issue shares with:
- 57.1.1 preferred, deferred or other special rights; or
  - 57.1.2 any restrictions, whether in regard to dividend, voting, return of capital or otherwise, that the Company may from time to time by ordinary resolution determine.
- 57.2 Subject to Division 4 of Part 5 of the Ordinance, the Company may by ordinary resolution issue shares on the terms that they are to be redeemed, or liable to be redeemed, at the option of the Company or the holder of the shares, on such terms and in such manner as the Company before the issue of the shares may by ordinary resolutions determine.
- 57.3 The Directors may determine the terms, conditions and manner of redemption of the shares.

## **58. VARIATION OF CLASS RIGHTS**

58.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied

58.1.1 with the consent in writing of the holder(s) representing at least 75% of the total voting rights of holder(s) of shares in the class; or

58.1.2 by a special resolution passed at a separate general meeting of holders of shares in the class sanctioning the variation.

58.2 If the rights attached to shares in any class of shares in the Company are varied, the Company must give written notice of the variation to each holder of shares in that class within 14 days after the date on which the variation is made in accordance with section 181 of the Ordinance.

58.3 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

## **59. COMPANY ONLY BOUND BY ABSOLUTE INTERESTS**

59.1 Except as required by law, no person is to be recognised by the Company as holding any share on any trust.

59.2 Except as otherwise required by law or these Articles, the Company is not in any way to be bound by or required to recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

59.3 Article 59.2 applies even though the Company has notice of the interest.

59.4 No person shall become a member until his name shall have been entered into the register of members.

## **60. CERTIFICATES TO BE ISSUED EXCEPT IN CERTAIN CASES**

60.1 Subject to Articles 4.2 and 78, the Company must issue each member, free of charge, with one or more certificates in respect of the shares that the member holds, within:

60.1.1 two months after allotment or lodgment of a proper instrument of transfer; or

60.1.2 any other period that the conditions of issue provide.

60.2 If more than one person holds a share, only one certificate may be issued in respect of it.

## **61. CONTENTS AND EXECUTION OF SHARE CERTIFICATES**

61.1 A certificate must specify:

61.1.1 in respect of how many shares and of what class the certificate is issued;



- 61.1.2 the amount paid upon the relevant shares; and
  - 61.1.3 any distinguishing numbers assigned to them.
- 61.2 If at any time the share capital of the Company is divided into different classes of shares, every share certificate issued at that time shall comply with section 179 of the Ordinance.
- 61.3 Separate certificates shall be issued in respect of shares more than one class.
- 61.4 A certificate must:
- 61.4.1 have affixed to it the Company's common seal or the Company's official seal under section 126 of the Ordinance; or
  - 61.4.2 be otherwise executed in accordance with the Ordinance.

## **62. REPLACEMENT SHARE CERTIFICATES**

- 62.1 If a certificate issued in respect of a member's shares is defaced, damaged, lost or destroyed, the member is entitled to be issued with a replacement certificate in respect of the same shares.
- 62.2 A member exercising the right to be issued with a replacement certificate:
- 62.2.1 may at the same time exercise the right to be issued with a single certificate, separate certificates or a consolidated certificate;
  - 62.2.2 must return the certificate that is to be replaced to the Company if it is defaced or damaged; and
  - 62.2.3 must comply with the conditions as to evidence, indemnity and the payment of a reasonable fee that the Directors decide.

## **63. COMPANY'S LIEN OVER PARTLY PAID SHARES**

- 63.1 The Company has a first and paramount lien on any share that is partly paid for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share.
- 63.2 The Company also has a first and paramount lien on any share that is partly paid standing registered in the name of a single person for all moneys presently payable by the person or the person's estate to the Company.
- 63.3 The Company's lien on a share extends to any dividend payable in respect of that share.
- 63.4 The Directors may at any time declare a share to be wholly or in part exempt from this Article.

64. **ENFORCEMENT OF COMPANY'S LIEN**

64.1 Subject to this Article, the Company may sell a share in a manner the Directors think fit if:

64.1.1 a notice enforcing a lien ("**lien enforcement notice**") has been issued in respect of that share; and

64.1.2 the person to whom the notice was issued has failed to comply with it.

64.2 A lien enforcement notice:

64.2.1 may only be issued in respect of a share on which the Company has a lien, in respect of which a sum is presently payable;

64.2.2 must specify the share concerned;

64.2.3 must require payment of the sum within 14 days of the notice;

64.2.4 must be issued to the holder of the share or to the person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

64.2.5 must state the Company's intention to sell the share if the notice is not complied with.

64.3 To give effect to the sale of shares under this Article, the Directors may authorise any person to transfer the shares to the purchaser, and the purchaser is to be registered as the holder of those shares.

64.4 The purchaser is not bound to see to the application of the purchase money, and the purchaser's title to the shares is not affected by any irregularity in or invalidity of the process leading to the sale.

64.5 The net proceeds of the sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

64.5.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;

64.5.2 second, to the person entitled to the shares at the date of the sale.

64.6 Article 64.5.2 applies:

64.6.1 only after the certificate for the shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates; and

64.6.2 subject to a lien equivalent to the Company's lien on the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice.

64.7 A statutory declaration by a Director or the company secretary stating that the declarant is a Director or the company secretary and that a share has been sold to satisfy the Company's lien on a specified date:

64.7.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

64.7.2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the share.

## 65. **CALL NOTICES**

65.1 Subject to these Articles and the terms on which shares are allotted, the Directors may send a notice (the "**call notice**") to a member requiring the member to pay the Company a specified sum of money (the "**call**") that is payable in respect of shares held by the member at the date when the Directors decide to send the call notice.

65.2 A call notice:

65.2.1 must not require a member to pay a call that exceeds the total sum unpaid on that member's shares;

65.2.2 must specify when and how any call to which it relates is to be paid; and

65.2.3 may permit or require the call to be paid by instalments.

65.3 A member must comply with the requirements of a call notice, but is not obliged to pay any call before 14 days have passed since the notice was sent.

65.4 Before the Company has received any call due under a call notice, the Directors may, by a further notice in writing to the member in respect of whose shares the call is made:

65.4.1 revoke the call notice wholly or in part; or

65.4.2 specify a later time for payment than is specified in the call notice.

## 66. **WHEN CALL DEEMED TO BE MADE**

A call is deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

## 67. **LIABILITY TO PAY CALLS**

67.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

67.2 Subject to the terms on which shares are allotted, the Directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:

67.2.1 to pay calls that are not the same; or

67.2.2 to pay calls at different times.

**68. WHEN CALL NOTICE NEED NOT BE ISSUED**

68.1 A call notice need not be issued in respect of sums that are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share:

68.1.1 on allotment;

68.1.2 on the occurrence of a particular event; or

68.1.3 on a date fixed by or in accordance with the terms of issue.

68.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is:

68.2.1 treated in all respects as having failed to comply with a call notice in respect of that sum; and

68.2.2 liable to the same consequences as regards the payment of interest and forfeiture.

**69. FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES**

69.1 If a member is liable to pay a call or instalment of a call and fails to do so by the date specified for its payment, the member must pay the Company interest on the call or instalment from that date until the call or instalment is paid.

69.2 The interest rate is to be determined by the Directors, but must not exceed 10% per annum.

69.3 The Directors may waive the payment of the interest wholly or in part.

**70. SUPPLEMENTARY PROVISIONS TO FACILITATE CALLS ON SHARES**

70.1 On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that:

70.1.1 the name of the member sued is entered in the register of members as the holder, or as one of the holders, of the shares in respect of which such money is due;

70.1.2 that the resolution making the call is duly recorded in the minute book of the Company; and

70.1.3 that notice of such call was duly given to the member sued in pursuance of these Articles,

and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence that the money is due.

70.2 No member shall, unless the Directors otherwise determine, be entitled to receive any dividend, or to receive notice of or to be present or vote at any general meeting, either personally or (save as proxy for another member) by proxy, or to exercise any rights as a member, or be reckoned in a quorum, until he shall have paid all calls or other sums for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

**71. NOTICE OF INTENDED FORFEITURE**

71.1 If a member is liable to pay a call or instalment of a call and fails to do so by the date specified for its payment, the Directors may, for so long as any part of the call or instalment remains unpaid, serve a notice on the member requiring payment of the part of the call or instalment that is unpaid, together with any interest that may have accrued.

71.2 The notice must:

71.2.1 specify a further date (not before the end of 14 days after the date of service of the notice) on or before which the payment required by the notice is to be made;

71.2.2 state how that payment is to be made; and

71.2.3 state that if the notice is not complied with, the shares in respect of which the call was made will be liable to be forfeited.

**72. DIRECTORS' POWER TO FORFEIT SHARES**

If the requirements of the notice of intended forfeiture under Article 71 are not complied with, the shares in respect of which the call was made may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.

**73. EFFECT OF FORFEITURE**

73.1 Subject to these Articles, the forfeiture of a share extinguishes:

73.1.1 all interests in the share, and all claims and demands against the Company in respect of it; and

73.1.2 all other rights and liabilities incidental to the share between the person whose share it was prior to the forfeiture and the Company.

73.2 If a person's shares have been forfeited:

73.2.1 the Company must send that person a notice that forfeiture has occurred and record it in the register of members;

73.2.2 that person ceases to be a member in respect of those shares;

73.2.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;

73.2.4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and

73.2.5 the Directors may waive the payment of those sums wholly or in part or enforce the payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

#### **74. PROCEDURE FOLLOWING FORFEITURE**

74.1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer.

74.2 A statutory declaration by a Director or the company secretary stating that the declarant is a Director or the company secretary and that a share has been forfeited on a specified date:

74.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

74.2.2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the share.

74.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any).

74.4 The person's title to the share is not affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

74.5 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of the sale, net of any commission, and excluding any amount that:

74.5.1 was, or would have become, payable; and

74.5.2 had not, when the share was forfeited, been paid by that person in respect of the share.

74.6 Despite Article 74.5, no interest is payable to such a person in respect of the proceeds and the Company is not required to account for any money earned on them.

#### **75. SURRENDER OF SHARES**

75.1 A member may surrender any share:

75.1.1 in respect of which the Directors may serve a notice of intended forfeiture under Article 71;

75.1.2 that the Directors may forfeit; or

75.1.3 that has been forfeited.

75.2 The Directors may accept the surrender of such a share.

75.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.

75.4 A share that has been surrendered may be dealt with in the same way as a share that has been forfeited.

## 76. **FINANCIAL ASSISTANCE**

76.1 The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provisions of security or otherwise, any financial assistance for the purposes of or in connection with a purchase made or to be made by any person of any shares in the Company, but this Article shall not prohibit any transaction permitted by Division 5 of Part 5 of the Ordinance.

## 77. **TRANSFER OF SHARES**

77.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of both the transferor and the transferee.

77.2 No fee may be charged by the Company for registering any instrument of transfer or other document relating to or affecting the title to any share.

77.3 The Company may retain any instrument of transfer that is registered.

77.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as the holder of it.

## 78. **POWER OF DIRECTORS TO REFUSE TRANSFER OF SHARES**

78.1 Without limiting Article 4.2, the Directors may refuse to register the transfer of a share if:

78.1.1 the instrument of transfer is not lodged at the Company's registered office or another place that the Directors have appointed;

78.1.2 the instrument of transfer is not duly stamped;

78.1.3 the instrument of transfer is not accompanied by the certificate for the share to which it relates, or other evidence the Directors reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;

78.1.4 the transfer is in respect of more than one class of shares; or

78.1.5 the transfer is in respect of a share on which the Company has a lien.

- 78.2 If the Directors refuse to register the transfer of a share under Article 78.1 or 4.2.
- 78.2.1 the transferor or transferee may request a statement of the reasons for the refusal; and
  - 78.2.2 the instrument of transfer must be returned to the transferor or transferee who lodged it unless the Directors suspect that the proposed transfer may be fraudulent.
- 78.3 The instrument of transfer must be returned in accordance with Article 80.2.2 together with a notice of refusal within two months after the date on which the instrument of transfer was lodged with the Company.
- 78.4 If a request is made under Article 78.2.1, the Directors must, within 28 days after receiving the request:
- 78.4.1 send the transferor or transferee who made the request a statement of the reasons for the refusal; or
  - 78.4.2 register the transfer.
- 78.5 The Company may, on giving notice in accordance with section 632(2)(b) of the Ordinance, close its register of members (or the part of it relating to members holding shares for any class) and accordingly suspend registration of transfers at such times and for such periods as the Directors may from time to time determine, provided that:
- 78.5.1 such closure and suspension of registration shall not occur for any period or periods exceeding in the whole 30 days in each year; and
  - 78.5.2 where the period of 30 days mentioned in Article 78.5.1 is extended in respect of any year under sections 632(3) and (4) of the Ordinance, it must not be extended for a further period or periods exceeding 30 days in the whole in any year.

## 79. **TRANSMITTEES' RIGHTS**

- 79.1 If a transmittee produces evidence of entitlement to the share as the Directors properly require, the transmittee may, subject to these Articles, choose to become the holder of the share or to have the share transferred to another person.
- 79.2 The Directors have the same right to refuse or suspend the registration as they would have had if the holder had transferred the share before the transmission.
- 79.3 A transmittee is entitled to the same dividends and other advantages to which the transmittee would be entitled if the transmittee were the holder of the share, except that the transmittee is not, before being registered as a member in respect of the share, entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.
- 79.4 The Directors may at any time give notice requiring a transmittee to choose to become the holder of the share or to have the share transferred to another person.



79.5 If the notice is not complied with within 90 days of the notice being given, the Directors may withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

## **80. EXERCISE OF TRANSMITTEES' RIGHTS**

80.1 If a transmittee chooses to become the holder of a share, the transmittee must notify the Company in writing of the choice.

80.2 Within two months after receiving the notice, the Directors must:

80.2.1 register the transmittee as the holder of the share; or

80.2.2 send the transmittee a notice of refusal of registration.

80.3 If the Directors refuse registration, the transmittee may request a statement of the reasons for the refusal.

80.4 If a request is made under Article 80.3, the Directors must, within 28 days after receiving the request:

80.4.1 send the transmittee a statement of the reasons for the refusal; or

80.4.2 register the transmittee as the holder of the share.

80.5 If the transmittee chooses to have the share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

80.6 All the limitations, restrictions and other provisions of these Articles relating to the right to transfer and the registration of transfer of shares apply to the notice under Articles 80.1 or the transfer under Article 80.5, as if the transmission had not occurred and the transfer were a transfer made by the holder of the share before the transmission.

## **81. TRANSMITTEES BOUND BY PRIOR NOTICES**

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members.

## **82. ALTERATION OF SHARE CAPITAL**

Subject to the exemptions provided by section 140(2) of the Ordinance, the Company may by ordinary resolution alter its share capital in any one or more of the ways set out in section 170(2)(a), (b), (c), (d), (e) and (f) of the Ordinance, and section 170(3), (4), (5), (6), (7) and (8) of the Ordinance applies accordingly.

## **83. REDUCTION OF SHARE CAPITAL**

The Company may by special resolution reduce its share capital in accordance with Division 3 of Part 5 of the Ordinance.

**84. SHARE BUY-BACKS**

The Company may buy back its own shares (including any redeemable shares) in accordance with Division 4 of Part 5 of the Ordinance.

**85. ALLOTMENT OF SHARES**

Subject to the approval of the sole member pursuant to section 141 of the Ordinance (unless an exception under section 140 of the Ordinance applies), the Directors may offer, allot, or otherwise deal with or dispose of the shares in the Company, or grant rights to subscribe for, or to convert any security into, shares in the Company, to such persons at such times for such consideration and on such terms as they think fit.

**86. PROCEDURE FOR DECLARING DIVIDENDS**

86.1 The Company may at a general meeting declare dividends, but a dividend must not exceed the amount recommended by the Directors.

86.2 The Directors may from time to time pay the sole member interim dividends that appear to the Directors to be justified by the profits of the Company.

86.3 A dividend may only be paid out of the profits in accordance with Part 6 of the Ordinance.

86.4 Before recommending any dividend, the Directors may set aside out of the profits of the Company any sums they think fit as reserves.

86.5 The Directors may:

86.5.1 apply the reserves for any purpose to which the profits of the Company may be properly applied; and

86.5.2 pending such an application, employ the reserves in the business of the Company or invest them in any investments (other than shares of the Company) that they think fit.

86.6 The Directors may also without placing the sums to reserve carry forward any profits that they think prudent not to divide.

86.7 Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

86.8 All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly

86.9 The Directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

**87. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS IN CASH**

87.1 Subject to any prohibitions or restrictions as may from time to time be imposed by any rule of law, if a dividend or other sum that is a distribution is payable in cash in respect of a share, it must be paid by one or more of the following means:

87.1.1 transfer to a bank account specified by the distribution recipient either in writing;

87.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing; or

87.1.3 any other means of payment as the Directors agree with the distribution recipient in writing.

87.2 In this Article:

**"distribution recipient"** means, in relation to a share in respect of which a dividend or other sum is payable:

87.2.1 the holder of the share; or

87.2.2 if the holder is no longer entitled to the share by reason of death or bankruptcy or otherwise by operation of law, the transmittee.

**88. NO INTEREST ON DISTRIBUTIONS**

88.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

88.1.1 the terms on which the share was issued; or

88.1.2 the provisions of another agreement between the holder of the share and the Company.

**89. UNCLAIMED DISTRIBUTIONS**

89.1 If dividends or other sums are payable in respect of shares and they are not claimed after having been declared or become payable, they may be invested or made use of by the Directors for the benefit of the Company until claimed.

89.2 The payment of the dividends or other sums into a separate account does not make the Company a trustee in respect of it.

89.3 A distribution recipient is no longer entitled to a dividend or other sum and it ceases to remain owing by the company, if:

89.3.1 12 years have passed from the date on which the dividend or other sum became due for payment; and

89.3.2 the distribution recipient has not claimed it.

## 90. **NON-CASH DISTRIBUTIONS**

90.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

90.2 For paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

90.2.1 fixing the value of any assets;

90.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

90.2.3 vesting any assets in trustees.

## 91. **WAIVER OF DISTRIBUTIONS**

91.1 Distribution recipient(s) may waive their entitlement to a dividend or other distribution payable in respect of a share by executing to the Company a deed to that effect.

## 92. **CAPITALISATION OF PROFITS**

92.1 The Company may by ordinary resolution on the recommendation of the Directors capitalise profits.

92.2 If the capitalisation is to be accompanied by the issue of shares or debentures, the Directors may apply the sum capitalised in the proportions in which the sole member would have been entitled if the sum was distributed by way of dividend, and on condition that the same is not to be paid in cash but is to be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such member respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such member in the proportions aforesaid, or partly in the one way and partly in the other.

92.3 In relation to the capitalisation, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any.

92.4 The Directors generally shall do all acts and things required to give effect to the capitalisation, with full power to make such provision by the issue of fractional

certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of the sole member entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on all such member.

### **Accounts and Audit**

#### **93. ACCOUNTS**

93.1 The Directors shall keep accounting records that comply with Subdivision 2 of Division 4 of Part 9 of the Ordinance.

93.2 The Company's accounting records must be:

93.2.1 kept at its registered office or any other place that Directors think fit; and

93.2.2 open to inspection by the Directors at all times without charge.

93.3 The Directors shall in respect of each financial year, prepare or cause to be prepared (as the case may be) and lay before the Company in general meeting financial statements, Directors' reports, auditor's report and other reporting documents in accordance with Divisions 4, 5 and 6 of Part 9 of the Ordinance.

93.4 The Company shall send a copy of the financial statements for the financial year together with a copy of the Directors' report and a copy of the auditor's report and such other documents required under section 434 of the Ordinance (where applicable) to the sole member within the period as prescribed by section 431 of the Ordinance.

93.5 If a general meeting is called, the Company shall send a copy of the financial statements for the financial year together with a copy of the Directors' report and a copy of the auditor's report and such other documents required under section 434 of the Ordinance (where applicable) to the sole member at least 21 days before the date of the meeting.

#### **94. INSPECTION OF ACCOUNTS AND OTHER RECORDS**

94.1 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the Company's accounting or other records or documents (or any of them) will be open to the inspection of the sole member.

94.2 A person is not entitled to inspect any of the company's accounting or other records or documents merely because of being a member, unless the person is authorised to do so by:

94.2.1 an enactment;

94.2.2 an order under section 740 of the Ordinance;

94.2.3 the Directors; or

94.2.4 an ordinary resolution of the Company.

## 95. **AUDIT**

95.1 The Company shall appoint an auditor whose role and duties shall be regulated in accordance with Division 5 of Part 9 of the Ordinance.

## 96. **AUDITOR'S INSURANCE**

96.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for an auditor of the Company, or an auditor of an associated company of the Company, against:

96.1.1 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 Company or associated company (as the case may be); or

96.1.2 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 Company or associated company (as the case may be).

96.2 In this Article, a reference to performance of the duties of auditor includes the performance of the duties specified in section 415(6)(a) and (b) of the Ordinance.

## **Miscellaneous Provisions**

### 97. **MEANS OF COMMUNICATION TO BE USED**

97.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which Part 18 of the Ordinance provides for documents, notices or information to be sent or supplied by or to the Company for the purposes of the Ordinance.

97.2 The sole member and Director shall register with the Company an address either in Hong Kong or elsewhere to which any document, notice or information can be sent. If any member or Director shall fail so to do, a document, notice or information may be given to such member or Director by sending the same in any of the manners hereinafter mentioned to his last known place of business or residence or, if there be none, a document, notice or information posted up in the registered office of the Company shall be deemed to be duly served at the expiration of 24 hours after it is so posted.

97.3 Without affecting the generality of Part 18 of the Ordinance, any document, notice or information to be sent or supplied under these Articles to or by the Company may be

given by hand, prepaid letter (airmail in the case of an address outside Hong Kong), or by other electronic means:

- 97.3.1 a document, notice or information sent or supplied by hand shall be deemed to have been received by the intended recipient at the time of delivery;
  - 97.3.2 a document, notice or information sent by post (prepaid letter) to an address in Hong Kong shall be deemed to have been received by the intended recipient on the second business day following its posting;
  - 97.3.3 a document, notice or information sent by prepaid airmail letter to an address outside Hong Kong shall be deemed to have been received by the intended recipient on the fifth business day following its posting;
  - 97.3.4 a document, notice or information sent by electronic means shall be deemed to have been received by the intended recipient 48 hours after it has been sent; and
  - 97.3.5 in the case of a document, notice or information sent by prepaid letter, in proving receipt thereof it shall be sufficient to prove that the envelope or wrapper containing the document, notice or information was properly addressed and stamped and was deposited in a post box or at the post office.
- 97.4 Subject to these Articles, any document, notice or information to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such a notice or document for the time being.
- 97.5 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 97.6 A document, notice or information is sent or supplied by the Company to a holder of the shares who is dead or bankrupt if the document, notice or information is sent or supplied to the persons claiming to be entitled to the shares in consequence of the death or bankruptcy by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address within Hong Kong supplied for the purpose by the persons so claiming, or until such an address has been supplied, is sent or supplied in any manner in which it might have been sent or supplied if the death or bankruptcy had not occurred.
- 97.7 Any person who by operation of law, transfer or other means whatsoever becomes entitled to any shares shall be bound by every document, notice or information in respect of such shares which, before his name and address is supplied to the Company, shall be duly given to the person from whom he derives his title to such share.
98. **COMPANY SEALS**
- 98.1 A common seal may only be used by the authority of the Directors, who shall provide for the safe custody of the common seal.

- 98.2 A common seal must be a metallic seal having the Company's name engraved on it in legible form.
- 98.3 Subject to Article 98.2, the Directors may decide by what means and in what form a common seal or official seal (whether for use outside Hong Kong or for sealing securities) is to be used.
- 98.4 The Company may decide to adopt a common seal but, unless and until an ordinary resolution has been passed to adopt a common seal, the Company does not have a common seal and it may execute any document in accordance with section 127(3) of the Ordinance and any deed in accordance with section 128 of the Ordinance. The Company may always have any contract made by or on its behalf in the manner permitted under section 121 of the Ordinance.
- 98.5 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one Director and one authorised person.
- 98.6 For the purposes of this Article, an authorised person is:
- 98.6.1 any Director of the Company; or
  - 98.6.2 any person authorised by the Directors for signing documents to which the common seal is applied.
- 98.7 If the Company has an official seal for use outside Hong Kong, it may only be affixed to a document if its use on the document, or documents of a class to which it belongs, has been authorised by a decision of the Directors.
- 98.8 If the Company has an official seal for sealing securities, it may only be affixed to securities by the company secretary or a person authorised to apply it to securities by the company secretary.
99. **WINDING UP**
- 99.1 If the Company is wound up and a surplus remains after the payment of debts proved in the winding up, the liquidator:
- 99.1.1 may, with the required sanction, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may, for this purpose, set a value the liquidator thinks fair on any property to be so divided; and
  - 99.1.2 may determine how the division is to be carried out between the members or different classes of members.
- 99.2 The liquidator may, with the required sanction, vest the whole or part of those assets in trustees on trust for the benefit of the contributories that the liquidator, with the required sanction, thinks fit, but a member must not be compelled to accept any shares or other securities on which there is any liability.



99.3 In this Article:

"**required sanction**" means the sanction of a special resolution of the Company and any other sanction required by the Ordinance.