

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF**

**MOTOR INSURERS' BUREAU OF HONG KONG
(香港汽車保險局)**

Incorporated the 10th day of December 1980

(Reprinted with all amendments up to and
including 13th August 2009)

THE COMPANIES ORDINANCE

(Chapter 32)

SPECIAL RESOLUTION

OF

MOTOR INSURERS' BUREAU OF HONG KONG

Passed on the 13th day of August 2009

At the Extraordinary General Meeting of the Members of Motor Insurers' Bureau of Hong Kong ("the Bureau") held on 13th August 2009 at 10:00 am in Rooms 2801 and 2802 of Tricor Services Limited at Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong, the following resolution was duly passed as a Special Resolution:

"THAT the Memorandum of Association of the Bureau be amended by deleting Sub-Clauses (a) and (b) of Clause 3 thereof in their entirety and inserting the following in their place:

- (a) to enter into and give effect to any agreement or agreements and any amendments thereto between the Bureau and the Government of Hong Kong, or any department or duly authorised representative thereof, and in pursuance of such agreement or agreements to secure or permit the satisfaction by the Bureau of:
- (i) claims in respect of liability for death of or bodily injury to any person caused by or arising out of the use of a motor vehicle(s) when such use and liability are by virtue of the Motor Vehicles Insurance (Third Party Risks) Ordinance (Cap. 272), or any enactment amending or replacing the same, required to be covered by insurance in respect of third party risks; and
 - (ii) claims in respect of liability for damage to property of any third party caused by or arising out of the use of a motor vehicle(s) in Hong Kong when such use and liability are covered by insurance in respect of third

party risks where such insurance has become or will become ineffective by reason of insolvency of the insurer,

in each case including but not limited to claims made pursuant to a right of subrogation or otherwise at law.

- (b) to make ex gratia payments or allowances in respect of such claims as are specified in Sub-Clause (a) above.”

(Sd.) Philip Graham Kent
Chairman of the Meeting

THE COMPANIES ORDINANCE

(Chapter 32)

SPECIAL RESOLUTIONS

OF

MOTOR INSURERS' BUREAU OF HONG KONG

Passed on the 24 day of June 2002

At the annual general meeting of the shareholders of the Company held on 24 June, 2002, at the Basement Function Room of the Luk Kwok Hotel at 72 Gloucester Road, Wanchai, Hong Kong, the following resolutions were duly passed as Special Resolutions:

1. **THAT** the Memorandum of Association of the Company be amended as follows:
 - (i) clause 3 be amended as follows:
 - (a) by deleting paragraph (o) and inserting the following in its place:
 - “(o) to grant a waiver or waivers in whole or in part in favour of any one or more of its members, in respect of any rights, whether contractual or otherwise, to which the Bureau may be entitled at any time to be paid by any such member or members, by way of reimbursement or otherwise, any sum that the Bureau has paid to any other person or persons (not being a member) whatsoever.
 - (p) to do all such lawful things as the Bureau may think incidental or conducive to the attainment of the objects of the Bureau or any of them.”;
 - (b) by inserting the following proviso as a new proviso (iii):
 - “(iii) The powers set forth in the Seventh Schedule of the Companies Ordinance (Cap.32) are hereby excluded.”; and

- (c) by deleting “(o)” from the second line of the last paragraph of the proviso and replacing it with “(p)”.
- (ii) clause 4 be amended as follows:
 - (a) by deleting “whencesoever” from the first line of the first paragraph and replacing it with “howsoever”;
 - (b) by inserting “ not being a member of the Council or governing body of the Bureau,” after “the Bureau” in the second line of the second paragraph;
 - (c) by inserting “2% above the prime rate prescribed for the time being by The Hong Kong and Shanghai Banking Corporation Limited for Hong Kong dollar loans or ” after “not exceeding ” in the fourth line of the second paragraph; and
 - (d) by inserting “, whichever is the lower,” after “on money lent” in the fourth line of the second paragraph.

2. **THAT** the Articles of Association of the Company be amended as follows:

- (i) by deleting from Article 1 the definition of “Representative” and replacing it with:

“Representative”	means, in relation to any member, the person for the time being entered in the Register as having been appointed by that member pursuant to Article 6, and additionally, but for the purposes only of any proceedings at any general meeting of the Bureau (but not for any other purpose set out in these Articles), means also any duly authorised officer or employee of a member as referred to in Article 15;”;
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- (ii) by inserting the following paragraph as a new paragraph before Article 2:

“The Bureau is established for the purpose expressed in the Memorandum of Association.”;

- (iii) by deleting Article 12 and replacing it with :

“The Councillors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by section 113 of the Ordinance.”;

- (iv) by deleting proviso (b) of Article 13 and replacing it with:

“in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than 95 per cent of the total voting rights of all the members entitled to attend and vote at that meeting.”;

- (v) by deleting Article 15 and replacing it with:

“A member shall be entitled to be present, to speak, to vote and to exercise other rights of membership at a General Meeting only through either his Representative or any officer or employee of that member, where that officer or employee has been duly authorised by that Representative so to act, in each case present in person at the meeting. The manner in which an officer or employee may be so authorised shall be determined from time to time by the Council. The appointment by a Representative of an officer or employee in accordance with this Article shall not prevent any Representative from attending in person at the General Meeting for which the authorisation has been given, in which event the authority of the officer or employee concerned shall cease. Any appointment of an officer or employee of a member by a Representative under this Article may not be made generally but may only be made in respect of one General Meeting at any one time (which shall include any adjournment thereof).”;

- (vi) by deleting “one-third” from the third line of Article 16 and replacing it with “one-fifth”;
- (vii) by deleting “nine” from the second line of Article 26 and replacing it with “eleven”;
- (viii) by inserting the following Article as new Article 27A:

“27A. Any Councillor (other than an alternate Councillor) may, by notice to the Council signed by him or in any other manner approved by the Councillors, appoint any other person, who shall be an officer or employee of the member represented by that Councillor, approved by resolution of the Council and willing to act, to be an alternate Councillor and may remove from office an alternate Councillor so appointed by him. The following provisions shall apply to any alternate Councillor so appointed:

- (a) he shall be entitled to receive notice of all meetings of Councillors, to attend and vote at any such meeting at which the Councillor appointing him is not personally present and generally to perform all the functions of his appointor as a Councillor in his absence but shall not be entitled to receive any remuneration from the Bureau for his services as an alternate Councillor, provided that it shall not be necessary to give notice of such a meeting to an alternate Councillor who is absent from Hong Kong;
- (b) he shall cease to be an alternate Councillor if his appointor ceases to be a Councillor; but, if a Councillor retires by rotation or otherwise but is re-appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate Councillor made by him which was in force immediately prior to his retirement shall continue after his re-appointment; and

- (c) save as otherwise provided in these Articles, he shall be deemed for all purposes to be a Councillor and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Councillor appointing him.”;
- (ix) by deleting the wording of Article 32 in its entirety and replacing it with the following:

“All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Bureau, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by (except in the case of receipts) at least two members of the Council provided that the company secretary or its authorized representatives may give instructions for the internal transfer of funds between bank accounts of the Bureau. At each quarterly meeting of the Councillors, the company secretary shall deliver to the Councillors a report in writing giving details of all internal transfers of funds made between bank accounts of the Bureau during the calendar quarter immediately preceding the month in which the quarterly meeting in question is held.”

- (x) by deleting Article 33 and replacing it with:

“The Council shall cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the Councillors;
- (b) of the names of Councillors present at each meeting of the Councillors; and
- (c) of all resolutions and proceedings at all meetings of the Bureau, and of the Councillors,

and every Councillor present at any meeting of Councillors shall sign his name in a book to be kept for that purpose.”;

- (xi) by inserting the following Article as new Article 41A:

“41A A meeting of the Councillors may be held by means of telephone or teleconferencing or videoconferencing or any other telecommunications facility provided that all participants are thereby able to communicate immediately by voice with all other participants and provided that in the event of any dispute as to the identity of the persons participating in such a meeting of Councillors or as to the accuracy of the record of the proceedings of such a meeting, the decision of the Councillors, acting by majority vote, shall be final.”;

- (xii) by inserting the following Article as new Article 41B:

“41B A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by not less than two-thirds of the Councillors shall be as effective as a resolution duly passed at a meeting of the Council and may consist of several documents in the like form each signed by one or more of the Councillors so approving the resolution in writing.”;

- (xiii) by deleting paragraph (b) from Article 43 and inserting in its place:
- “(b) all sales and purchases of goods by the Bureau; and
 - (c) the assets and liabilities of the Bureau.”;
- (xiv) by inserting “, subject to section 121(3) of the Ordinance, ” after “or” in the first line of Article 45;
- (xv) by deleting Article 46 and replacing it with:
- “The Council shall from time to time, in accordance with sections 122 and 129D of the Ordinance, cause to be prepared and to be laid before the Bureau in General Meeting such income and expenditure accounts, balance sheets, and reports as are referred to in those sections.”;
- (xvi) by inserting “the Councillors’ report and a copy of” after “a copy of” in the second line of Article 47; and
- (xvii) by inserting the following Article as new Article 54 immediately after Article 53:
- “54. No addition, alteration or amendment shall be made to or in this Memorandum of Association or the Articles of Association for the time being in force, unless such alteration has previously been submitted to and approved by the Registrar of Companies in writing.”

(Sd.) Nicholas John Gaven Donne

Chairman of the Meeting

Company No. 90533

THE COMPANIES ORDINANCE, CHAPTER 32
SPECIAL RESOLUTION
OF
MOTOR INSURERS' BUREAU OF HONG KONG
香港汽車保險局
PASSED ON THE 6TH DAY OF JUNE 2001

At the Twenty-second Annual General Meeting of Members of the Company held at the Basement Function Room of the Luk Kwok Hotel at 72 Gloucester Road, Wanchai, Hong Kong on the abovementioned date at 5:30 p.m., the following resolution was duly passed as a Special Resolution:-

"THAT Article 7 of the Articles of Association of the Bureau be and is hereby amended in the following manner:-

- (a) By inserting after the words "for the payment to or to the order of the Bureau of the funds so required" the words "provided that at least fourteen days' notice specifying the time or times of payment of a call or levy shall be given to the members."
- (b) By inserting the following paragraph at the end thereof:-

"If a sum called or levied by the Council in accordance with Article 7 is not paid before or on the day appointed for payment thereof, the member from whom the sum is due shall pay a surcharge on such sum equal to 5 per cent of such sum plus interest on such sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 10 per cent per annum as the Council may determine, but the Council shall be at liberty to waive payment of such interest and/or surcharge wholly or in part." "

(Sd.) Nicholas Donne

Chairman of the Meeting

THE COMPANIES ORDINANCE (Chapter 32)

Company Number: [90533]

SPECIAL RESOLUTION

OF

MOTOR INSURERS' BUREAU OF HONG KONG
(香港汽車保險局)

Passed on the 20th day of May 1997

At the Extraordinary General Meeting of MOTOR INSURERS' BUREAU OF HONG KONG (the "Bureau") held at 9th Floor, First Pacific Bank Centre, No. 51-57 Gloucester Road, Wanchai, Hong Kong on Tuesday, 20th May 1997 at 9:30 am., the following resolution was duly passed as a Special Resolution:

"THAT the Articles of Association of the Bureau be and are hereby amended in the following manner:

(a) Article 26:

By deleting paragraphs (b) and (c) of Article 26 in their entirety, and by cancelling the reference to "(a)" in the current paragraph 26(a).

(b) Article 27:

By inserting a full stop after "... the subscribers to the Memorandum of Association of the Bureau", and deleting the remaining words: ", who shall in such instrument designate such persons as Group 1, Group 2 or Group 3 Councillors, as the case may be, having regard to the provisions of Article 26, and the persons so appointed and designated shall be deemed to have been appointed by Group 1, Group 2 or Group 3, as the case may be, accordingly."

(c) Article 35:

By deleting the words ", and shall designate any Representative so elected as a Group 1, Group 2 or Group 3 Councillor, as the case may be".

By inserting after "and be eligible for re-election" the words "in accordance with Article 37".

(d) Article 37(a):

By deleting the words "Councillor appointed by the Groups as contemplated by Article 26 shall retire from office as follows:

Group 1: one (1) Councillor.

Group 2: one (1) Councillor.

Group 3: one (1) Councillor."

and substituting therefor: "one-third of the Councillors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest one-third, shall retire from office; and be eligible for re-election if they so wish."

(e) Article 37(c):

By deleting the words: "The Councillor appointed by each Group to retire shall be the one appointed by that Group who has been longest in office since his appointment or last election. As between Councillors appointed by the same Group of equal seniority, the Councillor to retire shall in the absence of agreement be selected from among them by lot."

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

(f) Article 37(d):

By deleting the words "Each Group shall at each Annual General Meeting elect a Councillor or Councillors either to fill up the vacated office" and substituting therefor: "Representatives may at the meeting at which a Councillor retires in manner aforesaid fill the vacated office by electing a person thereto".

By substituting the word "Bureau" for the words "relevant Group" in the second sentence of this paragraph.

By deleting the words "On any resolution pursuant to this paragraph only the representative or Representatives of members of the relevant Group shall be entitled to vote."

(g) Article 37(e):

By deleting the words "some member of the relevant Group, or by", "of such a member" and "of the Group he is to represent and".

(Signed) Frederick R J Dougherty

Chairman of the Meeting

THE COMPANIES ORDINANCE (Chapter 32)

Company Number: [90533]

SPECIAL RESOLUTION

OF

MOTOR INSURERS' BUREAU OF HONG KONG
(香港汽車保險局)

Passed on the 15th day of May 1996

At the Extraordinary General Meeting of MOTOR INSURERS' BUREAU OF HONG KONG (the "Bureau") held at 9th Floor, First Pacific Bank Centre, No. 51-57 Gloucester Road, Wanchai, Hong Kong on Wednesday, 15th May 1996 at 10:00 am., the following resolution was duly passed as a Special Resolution:

"THAT the Articles of Association of the Bureau be and are hereby amended in the following manner:

(a) Article 26:

By deleting paragraphs (b) and (c) of Article 26 in their entirety, and by cancelling the reference to "(a)" in the current paragraph 26(a).

(b) Article 27:

By inserting a full stop after "... the subscribers to the Memorandum of Association of the Bureau", and deleting the remaining words: ", who shall in such instrument designate such persons as Group 1, Group 2 or Group 3 Councillors, as the case may be, having regard to the provisions or Article 26, and the persons so appointed and designated shall be deemed to have been appointed by Group 1, Group 2 or Group 3, as the case may be, accordingly."

(c) Article 35:

By deleting the words ", and shall designate any Representative so elected as a Group 1, Group 2 or Group 3 Councillor, as the case may be".

By inserting after "and be eligible for re-election" the words "in accordance with Article 37".

(d) Article 37(a):

By deleting the words "Councillor appointed by the Groups as contemplated by Article 26 shall retire from office as follows:

Group 1: one (1) Councillor.

Group 2: one (1) Councillor.

Group 3: one (1) Councillor."

and substituting therefor: "one-third of the Councillors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest one-third, shall retire from office; and be eligible for re-election if they so wish."

(e) Article 37(c):

By deleting the words: "The Councillor appointed by each Group to retire shall be the one appointed by that Group who has been longest in office since his appointment or last election. As between Councillors appointed by the same Group of equal seniority, the Councillor to retire shall in the absence of agreement be selected from among them by lot."

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

(f) Article 37(d):

By deleting the words "Each Group shall at each Annual General Meeting elect a Councillor or Councillors either to fill up the vacated office" and substituting therefor: "Representatives may at the meeting at which a Councillor retires in manner aforesaid fill the vacated office by electing a person thereto".

By substituting the word "Bureau" for the words "relevant Group" in the second sentence of this paragraph.

By deleting the words "On any resolution pursuant to this paragraph only the representative or Representatives of members of the relevant Group shall be entitled to vote."

(g) Article 37(e):

By deleting the words "some member of the relevant Group, or by", "of such a member" and "of the Group he is to represent and".

(Sd.) Andrew Kirkland

Andrew Kirkland
Chairman of the Meeting

No. 90533

[COPY]
CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME

Whereas MOTOR INSURERS' BUREAU OF HONG KONG was incorporated in Hong Kong as a limited company under the Companies Ordinance on the Tenth day of December, 1980;

And whereas by special resolution of the Company and with the approval of the Registrar of Companies, it has changed its name;

Now therefore I hereby certify that the Company is a limited company incorporated under the name of MOTOR INSURERS' BUREAU OF HONG KONG (香港汽車保險局).

Given under my hand this First day of June One Thousand Nine Hundred and Eighty-four.

(Sd.) J. Almeida

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for Registrar of Companies, Hong Kong

HONG KONG COMPANIES ORDINANCE

(CHAPTER 32)

SPECIAL RESOLUTION

OF

MOTOR INSURERS' BUREAU OF HONG KONG

At the Fifth Annual General Meeting of Motor Insurers' Bureau of Hong Kong duly convened and held in the Small Connaught Room, 1st floor, the Mandarin Hotel, Central, Hong Kong on Monday, 28th May 1984 at 10.00 the following resolution was passed as a Special Resolution:-

“That the Bureau change its name from ‘Motor Insurers’ Bureau of Hong Kong’ to ‘Motor Insurers’ Bureau of Hong Kong (香港汽車保險局)’.”

(Sd.) George Chu

George Chu
Chairman

No. 90533

[COPY]

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that

MOTOR INSURERS' BUREAU OF HONG KONG

(the word 'Limited' being omitted by Licence granted by me)

is this day incorporated in Hong Kong under the Companies Ordinance, and that this company is limited.

GIVEN under my hand this Tenth day of December One Thousand Nine Hundred and Eighty.

(Sd.) Lai Ming Chi
LAI Ming Chi
for Registrar of Companies,
Hong Kong.

THE COMPANIES ORDINANCE

(Chapter 32 of the Laws of Hong Kong, Revised Edition, 1975)

SECTION 21

WHEREAS it has been proved to my satisfaction that MOTOR INSURERS' BUREAU OF HONG KONG, which is about to be registered under the Companies Ordinance as a company limited by guarantee, is formed for the purpose of promoting objects of the nature contemplated by Section 21 of the said Ordinance, and that it is the intention of the said Bureau that the income and property of the Bureau, whencesoever derived, shall be applied solely towards the promotion of the objects of the Bureau, as set forth in its Memorandum of Association, and that no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend or bonus or otherwise howsoever by way of profit, to the members of the Bureau.

NOW THEREFORE I, in pursuance of the powers vested in me, and in consideration of the provisions and subject to the conditions contained in the Memorandum of Association of the said Bureau as subscribed by seven members thereof on the 1st day of December, 1980, do by this my licence direct MOTOR INSURERS' BUREAU OF HONG KONG to be registered with limited liability without the addition of the word "Limited" to its name.

GIVEN under my hand at Victoria in Hong Kong this Tenth day of December One Thousand Nine Hundred and Eighty.

(Sd.) L. S. Shum
(L. S. SHUM)
p. Registrar of Companies,
Hong Kong.

THE COMPANIES ORDINANCE (CAP. 32)

Company Limited by Guarantee

MEMORANDUM OF ASSOCIATION
OF
MOTOR INSURERS' BUREAU OF HONG KONG
(香港汽車保險局)

- #1. The name of the Company (in this Memorandum called "the Bureau") is **MOTOR INSURERS' BUREAU OF HONG KONG (香港汽車保險局)**.
2. The registered office of the Bureau will be situated in Hong Kong.
3. The objects for which the Bureau is established are:-
- *** (a) to enter into and give effect to any agreement or agreements and any amendments thereto between the Bureau and the Government of Hong Kong, or any department or duly authorised representative thereof, and in pursuance of such agreement or agreements to secure or permit the satisfaction by the Bureau of:
- (i) claims in respect of liability for death or bodily injury to any person caused by or arising out of the use of a motor vehicle(s) when such use and liability are by virtue of the Motor Vehicles Insurance (Third Party Risks) Ordinance (Cap. 272), or any enactment amending or replacing the same, required to be covered by insurance in respect of third party risks; and
 - (ii) claims in respect of liability for damage to property of any third party caused by or arising out of the use of a motor vehicle(s) in Hong Kong when such use and liability are covered by insurance in respect of third party risks where such insurance has become or will become ineffective by reason of insolvency of the insurer,
- in each case including but not limited to claims made pursuant to a right of subrogation or otherwise at law.
- *** (b) to make ex gratia payments or allowances in respect of such claims as are specified in Sub-Clause (a) above.
- (c) to pay, satisfy or compromise any claims made against the Bureau which it may seem expedient to pay, satisfy or compromise, whether such claims be valid in law or not.
- (d) to acquire by assignment, either in its own name or in the name of a nominee, any rights, privileges or judgments and to assign to any person any rights, privileges or judgments where in either case to do so is necessary or convenient for the promotion of the objects of the Bureau or for the recovery by the Bureau of sums expended or liabilities incurred in furtherance of those objects.
- (e) for the purposes of the Bureau to give guarantees and indemnities and to effect counter-guarantees and counter-indemnities and to undertake and execute any trusts and to act as agents.

As altered by passing special resolution on 28th May 1984.

*** As altered by passing special resolution on 13th August 2009.

- (f) to enter into agreements with and/or obtain undertakings from its members or any of them to keep the Bureau supplied with all funds necessary to enable it to discharge its obligations or commitments (whether legally binding or not) and for such other purposes as may be conducive to efficient, economical or expeditious discharge of its said obligations and commitments and to the furtherance of its objects .
- (g) to make calls or levies on its members or any of them for such amounts as the Bureau shall from time to time require in order to enable it to discharge its obligations or commitments (whether legally binding or not) or further its objects.
- (h) for the purposes of the Bureau to act as arbitrators or to nominate arbitrators for the settlement of disputes.
- (i) to purchase, take on lease or in exchange, hire or otherwise acquire any movable or immovable property or any interest therein which the Bureau may think necessary or convenient for effecting any of its objects and to sell, let on lease, charge or otherwise dispose of or grant rights over any property belonging to the Bureau.
- (j) to borrow or raise money for the purposes of the Bureau on such terms and on such security (if any) as may be thought fit and to secure or discharge any debt or obligation of or binding on the Bureau in such manner as may be thought fit.
- (k) to invest the moneys of the Bureau not immediately required in such manner as may be from time to time determined.
- (l) for the purposes of the Bureau to draw, accept and make, and to endorse, discount and negotiate bills of exchange and promissory notes and other negotiable instruments.
- (m) for the purposes of the Bureau to obtain, receive and administer subscriptions, loans and deposits of money or securities from any persons whatsoever, whether or not members of the Bureau.
- (n) to establish and support or aid in the establishment and support of any charitable or benevolent associations or institutions, and to subscribe or guarantee money for charitable or benevolent purposes in any way relevant to the purposes of the Bureau or calculated to further its objects.
- * (o) to grant a waiver or waivers in whole or in part in favour of any one or more of its members, in respect of any rights, whether contractual or otherwise, to which the Bureau may be entitled at any time to be paid by any such member or members, by way of reimbursement or otherwise, any sum that the Bureau has paid to any other person or persons (not being a member) whatsoever.
- * (p) to do all such lawful things as the Bureau may think incidental or conducive to the attainment of the objects of the Bureau or any of them.

* As altered by passing Special Resolutions on 24th June 2002.

Provided that:

- (i) In case the Bureau shall take or hold any property which may be subject to any trusts, the Bureau 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 Bureau shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.
- * (iii) The powers set forth in the Seventh Schedule of the Companies Ordinance (Cap.32) are hereby excluded.

And it is hereby declared that the objects of the Bureau as specified in each of the paragraphs (a) to (p) inclusive of this Clause (except only if and so far as otherwise expressly provided in any paragraph) shall be separate and distinct objects of the Bureau and shall not be in any way limited by reference to any other paragraph or the order in which the same occur or the name of the Bureau.

- * 4. The income and property of the Bureau, howsoever derived, shall be applied solely towards the promotion of the objects of the Bureau, as set forth in this Memorandum of Association, and no part thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus, or otherwise howsoever by way of profit, to the members of the Bureau.

Provided that nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Bureau not being a member of the Council or governing body of the Bureau, or to any member of the Bureau, in return for any service actually rendered to the Bureau, nor prevent the payment of interest at a rate not exceeding 2% above the prime rate prescribed for the time being by The Hong Kong and Shanghai Banking Corporation Limited for Hong Kong dollar loans or a proper market rate on money lent, whichever is the lower, or reasonable and proper rent for premises demised or let by any member to the Bureau; but so that no member of the Council or other governing body of the Bureau shall be appointed to any salaried office of the Bureau, or any office of the Bureau paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Bureau to any member of such Council or governing body except repayment of out-of-pocket expenses and interest at the rate aforesaid on money lent or reasonable and proper rent for premises demised or let to the Bureau, provided that the provision last aforesaid shall not apply to any payment to any company of which a member of such Council or governing body may be a member and in which such member shall not hold more than one-hundredth part of the capital, and such member shall not be bound to account for any share of profits he may receive in respect of any such payment.

- 5. The liability of the members is limited.

* As altered by passing Special Resolutions on 24th June 2002.

6. Each member undertakes to contribute to the assets of the Bureau, in the event of its being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Bureau contracted before he ceases to be a member, and of the costs, charges and expenses of the winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding ONE HUNDRED DOLLARS (\$100).
7. If, upon winding up or dissolution of the Bureau, 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 Bureau, but shall be given or transferred to some other institution or institutions, having objects similar to the objects of the Bureau and which shall, prohibit the distribution of its or their income and property to an extent at least as great as is imposed on the Bureau under or by virtue of Clause 4 of this Memorandum of Association, such institution or institutions to be determined by the members of the Bureau at or before the time of dissolution, or failing such determination, by a Judge of the Supreme Court of Hong Kong having jurisdiction in regard to charitable funds, and if and so far as effect cannot be given to the aforesaid provision then to some charitable object.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association.

Names, Addresses and Descriptions of Subscribers

(Sd.) KEN C. KWOK
For and on behalf of
AMERICAN INTERNATIONAL ASSURANCE COMPANY; LIMITED
11th floor,
A. I. A. Building,
Hong Kong.
Corporation.

(Sd.) K.W.M. CAMPBELL
For and on behalf of
TAIKOO ROYAL INSURANCE COMPANY LIMITED
3rd floor,
Swire House,
Hong Kong.
Corporation.

(Sd.) SIMON LIU
For and on behalf of
BEDFORD INSURANCE COMPANY LIMITED
14th floor,
Chung Kiu Commercial Building,
Kowloon,
Hong Kong.
Corporation.

(Sd.) M. LAMB
For and on behalf of
LOMBARD ALLIANCE INSURANCE COMPANY LIMITED
30th floor,
World Trade Centre,
Hong Kong.
Corporation.

(Sd.) RUSSELL EVANS
For and on behalf of
THE NEW ZEALAND INSURANCE COMPANY LIMITED
14th floor,
Alexandra House,
Hong Kong.
Corporation.

(Sd.) WILLIAM P. STEWART
For and on behalf of
WHEELOCK MARDEN & STEWART LIMITED,
Agents for THE DOMINION INSURANCE COMPANY LIMITED
2nd and 3rd floors,
Marden House,
Hong Kong.
Corporation.

(Sd.) ROBERT J. BODNAR
For and on behalf of
INSURANCE COMPANY OF NORTH AMERICA
6th floor,
China Building,
Hong Kong.
Corporation.

Dated the 1st day of December, 1980.

WITNESS to the above signatures: -

(Sd.) Stewart P. Smith
Solicitor,
Hong Kong.

THE COMPANIES ORDINANCE (CAP. 32)

Company Limited by Guarantee

MEMORANDUM OF ASSOCIATION

OF

MOTOR INSURERS' BUREAU OF HONG KONG
(香港汽車保險局)

INTERPRETATION

In these Articles:-

- “the Ordinance” means the Companies Ordinance (Cap. 32) as from time to time amended;
- “Bureau” means Motor Insurers' Bureau of Hong Kong;
- “Compulsory Insurance Legislation” means the Motor Vehicles Insurance (Third Party Risks) Ordinance, (Cap. 272) and any amendments thereto dealing with the compulsory insurance of liabilities relating to the death of or bodily injury to third parties arising out of the use of motor vehicles;
- “Council” means the body in which the management of the Bureau is vested pursuant to these Articles;
- “Councillor” means a member for the time being of the Council;
- “Insurance Company” means any person (not being Lloyd's Underwriters);
- “Insurer” means an Insurance Company or Lloyd's Underwriters for the time being authorised under Compulsory Insurance Legislation to carry on motor vehicle insurance business in Hong Kong;
- “Lloyd's Underwriters” means an association of individual underwriters organised according to the system known as Lloyd's;
- “the office” means the registered office of the Bureau;
- “Register” means the register referred to in Article 8;

* "Representative" means, in relation to any member, the person for the time being entered in the Register as having been appointed by that member pursuant to Article 6, and additionally, but for the purposes only of any proceedings at any general meeting of the Bureau (but not for any other purpose set out in these Articles), means also any duly authorized officer or employee of a member as referred to in Article 15;

"Secretary" means any person appointed for the time being by the Council to perform the duties of the secretary of the Bureau.

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

Words importing the masculine gender only shall include the feminine and neuter genders.

Words importing persons shall include bodies and vice versa and words importing bodies shall include incorporated and unincorporated bodies.

Unless the context otherwise requires, words or expressions defined in or for the purposes of the Ordinance or Compulsory Insurance Legislation shall bear the same respective meanings in these Articles.

MEMBERSHIP

* The Bureau is established for the purpose expressed in the Memorandum of Association.

2. The number of members with which the Bureau proposes to be registered is 120, but the Council may from time to time register an increase in the number of members.
3. The first members of the Bureau shall be the subscribers to the Memorandum of Association. Any further members shall be such Insurers as the Council shall admit to membership pursuant to the following provisions. Only Insurers shall be eligible to become members and any Insurer wishing to become a member shall apply accordingly to the Council in writing in such form as the Council shall from time to time prescribe and/or agree to accept, and an Insurer whose application is approved by the Council shall become a member upon his name being entered in the Register accordingly. The Council shall approve, and shall not have any discretion to reject, an application so made by an Insurer, and shall so approve such an application as soon as may be convenient after the application has been received by the Council.
4. If a member shall cease to be an Insurer he shall inform the Council forthwith and thereupon his name shall be deleted from the Register and he shall cease to be a member accordingly. A member shall not be entitled to cease to be a member for any other reason.
5. Notwithstanding that an Insurer shall cease to be a member pursuant to Article 4, he shall nevertheless remain liable for his share of all obligations arising prior to his ceasing to be a member.

* As altered by passing Special Resolutions on 24th June 2002.

REPRESENTATIVES

6. Every member being an Insurance Company shall by notice in writing to the Secretary from time to time nominate one (1) person as his Representative for the purposes of these Articles. The Lloyd's Underwriters, acting together, shall by notice in writing to the Secretary from time to time collectively nominate one (1) person as their Representative for such purposes; any such notice shall be signed by or on behalf of all Lloyd's Underwriters for the time being, but the appointment of such Representative shall not per se be affected by any change in the number or identity of the Lloyd's Underwriters. Any Representative may from time to time in like manner be removed and replaced. A member shall be deemed to be present in person at any general meeting of the Bureau if, and only if, the person for the time being so nominated by him or (in the case of Lloyd's Underwriters, by the Lloyd's Underwriters) is present in person thereat. The nomination of a Representative of any member shall take effect on and from the date as at which the name of the Representative is entered in the Register in respect of such member (or, as the case may be, in respect of the Lloyd's Underwriters).

CONTRIBUTION TO FUNDS

- ** 7. Each member (except, in the case of a member which is a body, after the making of an order or the passing of an effective resolution to wind up such member) shall contribute to the Bureau such funds as may be required by the Bureau for the attainment of its objects. The Council may at any time and from time to time make calls or levies upon the members (except as aforesaid) for the payment to or to the order of the Bureau of the funds so required provided that at least fourteen days' notice specifying the time or times of payment of a call or levy shall be given to the members. The proportion of such funds which each member shall so contribute from time to time shall be determined by agreement among the members and with the Council, and in default of agreement by the Council.

If a sum called or levied by the Council in accordance with Article 7 is not paid before or on the day appointed for payment thereof, the member from whom the sum is due shall pay a surcharge on such sum equal to 5 per cent of such sum plus interest on such sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 10 per cent per annum as the Council may determine, but the Council shall be at liberty to waive payment of such interest and/or surcharge wholly or in part.

REGISTER

8. The Secretary shall keep a register of the members of the Bureau and shall punctually enter therein the following particulars:
- (a) The names and addresses of the members.
 - (b) The date at which each person was entered in the register as a member.
 - (c) The date at which each person ceased to be a member.
 - (d) The respective names and effective dates of appointment and of removal of the Representatives.

** As altered by passing Special Resolution on 6th June 2001.

GENERAL OBLIGATION OF MEMBERS

9. Every member shall be bound to further to the best of his ability the objects, interests and influences of the Bureau and shall observe these Articles and any regulations which may be promulgated from time to time for the administration of the Bureau and any agreements which may be entered into between the Bureau and such member.

GENERAL MEETINGS

10. The Bureau shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it; the Bureau shall hold its first Annual General Meeting within three (3) months of its incorporation, and thereafter not more than fifteen months shall elapse between the date of one Annual General Meeting of the Bureau and that of the next. The Annual General Meeting shall be held at such time and place as the Council shall appoint.
11. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- * 12. The Councillors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by section 113 of the Ordinance.

NOTICE OF GENERAL MEETINGS

- * 13. An Annual General Meeting and any Extraordinary General Meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and any other Extraordinary General Meeting shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given in the manner specified in Article 50, or in such other manner, if any, as may be prescribed by the Bureau in General Meeting, to such persons as are under these Articles or the Ordinance entitled to receive notice of General Meetings of the Bureau.

PROVIDED THAT a General Meeting of the Bureau shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:

- (a) in the case of an Annual General Meeting, or any other General Meeting to the extent that it is called for the passing of a special resolution, by all the members entitled to attend and vote thereat; and

* As altered by passing Special Resolutions on 24th June 2002.

- * (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than 95 per cent of the total voting rights of all the members entitled to attend and vote at that meeting.

The accidental omission to give notice to, or the non-receipt of notice by, any member shall not invalidate the proceedings at any General Meeting.

PROCEEDINGS AT GENERAL MEETINGS

14. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets, and the reports of the Council and auditors, the election of Councillors and the appointment of, and the fixing of the remuneration of or the method of determining the remuneration of, the auditors.
- * 15. A member shall be entitled to be present, to speak, to vote and to exercise other rights of membership at a General Meeting only through either his Representative or any officer or employee of that member, where that officer or employee has been duly authorised by that Representative so to act, in each case present in person at the meeting. The manner in which an officer or employee may be so authorised shall be determined from time to time by the Council. The appointment by a Representative of an officer or employee in accordance with this Article shall not prevent any Representative from attending in person at the General Meeting for which the authorisation has been given, in which event the authority of the officer or employee concerned shall cease. Any appointment of an officer or employee of a member by a Representative under this Article may not be made generally but may only be made in respect of one General Meeting at any one time (which shall include any adjournment thereof).
- * 16. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided two or more persons present and together being Representatives for not less than one-fifth in number of the members shall be a quorum. 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 a member or members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at any such other time and place as the Council may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, two persons present being Representatives (whatever the number of members whom they represent) shall be a quorum.
17. The Chairman of the Council or, in his absence, the Vice-Chairman shall preside as chairman at every General Meeting of the Bureau, or if neither of them shall be present within fifteen minutes after the time appointed for the holding of the meeting or is willing to act, the Representatives present in person shall elect one of their number to be chairman of the meeting.

* As altered by passing Special Resolutions on 24th June 2002.

18. The chairman may, with the consent of any General 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 twenty one days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.
19. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll (before or on the declaration of the result of the show of hands) be demanded by the chairman or by one Representative present in person at the meeting. A demand for a poll may be withdrawn. Unless a poll is so demanded, and the demand be not withdrawn, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
20. If a poll be demanded in manner aforesaid (and the demand is not withdrawn), it shall be a poll of all Representatives present in person at the General Meeting and shall be taken at such time and place and in such manner as the chairman of the meeting shall direct and the result of the poll shall be deemed to be a resolution of the General Meeting at which the poll was demanded.
21. No poll shall be demanded on the election of a chairman of a meeting or on any question of adjournment.
22. The demand for a poll shall not prevent the continuance of a meeting for the transacting of any business other than the business on which a poll has been demanded.
23. In the case of an equality of votes, either on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.

VOTES OF MEMBERS

24. Each Representative present shall, on a show of hands, have one vote (whatever the number of members he represents) and, on a poll, a number of votes equal to the number of members he represents.
25. No objection shall be raised to the qualification of any member or Representative except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

THE COUNCIL

- ## 26.
* There shall be a Council for the management of the affairs of the Bureau and the number of Councillors shall not be less than seven nor more than eleven, each of whom shall be a Representative.
- ## 27. The persons who are to be the first Councillors shall be appointed by instrument in writing signed by or on behalf of the subscribers to the Memorandum of Association of the Bureau.
- * 27A. Any Councillor (other than an alternate Councillor) may, by notice to the Council signed by him or in any other manner approved by the Councillors, appoint any other person, who shall be an officer or employee of the member represented by that Councillor, approved by resolution of the Council and willing to act, to be an alternate Councillor and may remove from office an alternate Councillor so appointed by him. The following provisions shall apply to any alternate Councillor so appointed:
- (a) he shall be entitled to receive notice of all meetings of Councillors, to attend and vote at any such meeting at which the Councillor appointing him is not personally present and generally to perform all the functions of his appointor as a Councillor in his absence but shall not be entitled to receive any remuneration from the Bureau for his services as an alternate Councillor, provided that it shall not be necessary to give notice of such a meeting to an alternate Councillor who is absent from Hong Kong;
 - (b) he shall cease to be an alternate Councillor if his appointor ceases to be a Councillor; but, if a Councillor retires by rotation or otherwise but is re-appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate Councillor made by him which was in force immediately prior to his retirement shall continue after his re-appointment; and
 - (c) save as otherwise provided in these Articles, he shall be deemed for all purposes to be a Councillor and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Councillor appointing him.

BORROWING POWERS

28. The Council may exercise all the powers of the Bureau to borrow money, and to mortgage or charge its property and to issue any securities whether outright or as security for any debt, liability or obligation of the Bureau or of any third party.

As altered by passing Special Resolution on 20th May 1997.

* As altered by passing Special Resolutions on 24th June 2002.

POWERS AND DUTIES OF THE COUNCIL

29. The affairs of the Bureau shall be managed by the Council, who may pay all expenses incurred in promoting and registering the Bureau, and may exercise all such powers of the Bureau as are not, by the Ordinance or by these Articles, required to be exercised by the Bureau in General Meeting, subject nevertheless to the provisions of these Articles, the Ordinance and such resolutions, being not inconsistent with the provisions of these Articles or the Ordinance, as may be passed by the Bureau in General Meeting, but so that no resolution passed by the Bureau in General Meeting shall invalidate any prior act of the Council which would have been valid if that resolution had not been passed.
30. The Council may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Council, to be the agent or agents of the Bureau for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Council under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such agent as the Council may think fit, provided always that the Council shall not be at liberty to delegate to any such agent any of the discretions vested in the Council by these Articles.

SEAL

31. (a) The Bureau shall have a seal and the Council shall provide for its safe custody.
- (b) The seal of the Bureau shall not be affixed to any instrument except in the presence of one Councillor and the Secretary, or of such other person or persons as the Council may by resolution appoint for the purpose, and the said Councillor and the Secretary, or such other person or persons as aforesaid, shall sign every instrument to which the seal of the Bureau is so affixed.
- (c) The Bureau may exercise the powers conferred by section 35 of the Ordinance with regard to having an official seal for use abroad, and such powers shall be vested in the Council.

CHEQUES

- * 32. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Bureau, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by (except in the case of receipts) at least two members of the Council provided that the company secretary or its authorized representatives may give instructions for the internal transfer of funds between bank accounts of the Bureau. At each quarterly meeting of the Councillors, the company secretary shall deliver to the Councillors a report in writing giving details of all internal transfers of funds made between bank accounts of the Bureau during the calendar quarter immediately preceding the month in which the quarterly meeting in question is held.

* As altered by passing Special Resolutions on 24th June 2002.

MINUTES

- * 33. The Council shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers made by the Councillors;
 - (b) of the names of Councillors present at each meeting of the Councillors; and
 - (c) of all resolutions and proceedings at all meetings of the Bureau, and of the Councillors,
- and every Councillor present at any meeting of Councillors shall sign his name in a book to be kept for that purpose.

DISQUALIFICATION OF COUNCILLORS

34. The office of a Councillor shall be vacated forthwith and ipso facto:
- (a) if by notice in writing to the Bureau he resigns his office; or
 - (b) if he has a receiving order made against him or is otherwise adjudged bankrupt or if he makes any arrangement or composition with his creditors generally; or
 - (c) if in Hong Kong or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
 - (d) if he becomes disqualified by law from holding the office of a director of a company in Hong Kong; or
 - (e) if he ceases at any time to be a Representative (including a case where the member, or all the members, for whom he is Representative shall have ceased to be (a) member(s)).
- ##35. The Council may elect a Representative to fill a casual vacancy on the Council. Any Representative so elected shall, subject in any event to Articles 34 and 36, retain his office only until the next following Annual General Meeting and shall then retire and be eligible for re-election in accordance with Article 37. The continuing Councillors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below seven (7), the continuing Councillors may act for the purpose of increasing the number of Councillors to that number pursuant to the foregoing provisions of this Article, or of summoning a General Meeting of the Bureau, but for no other purpose.

As altered by passing Special Resolution on 20th May 1997.

* As altered by passing Special Resolutions on 24th June 2002.

36. Notwithstanding anything to the contrary contained in these Articles, the Bureau may by special resolution remove any Councillor before the expiration of his period of office and may by ordinary resolution (but subject to Article 26) appoint another Representative to be a Councillor in his stead, but any Representative so appointed shall retain his office so long only as the person in whose place he is appointed would have held the same if he had not been removed.

RETIREMENT AND APPOINTMENT OF COUNCILLORS

- ##37. ##(a) At the first Annual General Meeting all Councillors shall retire from office. At each Annual General Meeting held thereafter one-third of the Councillors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest one-third, shall retire from office; and be eligible for re-election if they so wish.
- (b) A retiring Councillor shall retain his office until the dissolution or adjournment of the meeting at which his successor is elected or it is determined not to fill his place.
- ##(c) The Councillors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Councillors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Councillor shall be eligible for re-election.
- ##(d) Representatives may at the meeting at which a Councillor retires in manner aforesaid fill the vacated office by electing a person thereto or, within the limits established by Article 26, as additional Councillors. The election of each Councillor shall be the subject of a separate resolution unless a resolution to a contrary effect has been agreed to by the Bureau without any vote being given against it.
- ##(e) No Representative who is not a Councillor retiring at the meeting shall, unless recommended by the Council for election, be eligible for election as a Councillor at any General Meeting unless within the prescribed time before the day appointed for the meeting, there shall have been given to the Secretary notice in writing, signed by or on behalf of a Representative, of his intention to propose such Representative for election and also notice in writing, signed by the Representative to be proposed, of his willingness to be elected. The prescribed time above mentioned shall be such that between the date when the notice is served or deemed to be served and the day appointed for the meeting there shall be not less than three nor more than twenty-eight intervening days.
- (f) If at any General Meeting at which an election of Councillors ought to take place the place of any retiring Councillor is not filled up, the relevant retiring Councillor shall, if he is willing to act and unless a resolution for his re-election has at that meeting been put to the vote and defeated, be deemed to have been re-elected.
- (g) No person shall be appointed to be a Councillor otherwise than pursuant to Article 27 or Article 35 or Article 36 or this Article.

As altered by passing Special Resolution on 20th May 1997.

PROCEEDINGS OF THE COUNCIL

38. The Council may meet together for the despatch of business, adjourn, and otherwise regulate its meetings, as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote. The Chairman of the Council or, in his absence, the Vice-Chairman shall on the request of any Councillor summon a meeting of the Council within seven days of the receipt of such request. In the absence of both the Chairman and the Vice-Chairman any Councillor may summon a meeting of the Council. Reasonable notice shall be necessary for calling a meeting of the Council. Notice of each meeting shall be given either orally or in writing or by telex to all Councillors for the time being entitled to receive such notice.
39. Every Councillor shall register with the Secretary an address in Hong Kong to which notices of meetings may be posted. In the event of any Councillor failing so to register an address with the Secretary such Councillor will forfeit his rights to receive notices of meetings of the Council, and failure to give notice of any meeting of the Council to such Councillor shall not in any way invalidate any meeting of the Council.
40. The quorum necessary for the transaction of the business of the Council shall be four (4).
41. The Council shall elect from among the Councillors a Chairman and Vice-Chairman and determine the period for which they are respectively to hold office. The Chairman or, in his absence, the Vice-Chairman shall preside as chairman at every meeting of the Council, but, if neither the Chairman nor the Vice-Chairman be present within five minutes after the time appointed for holding any meeting, the Councillors present may choose one of their number to be chairman of the meeting.
- * 41A. A meeting of the Councillors may be held by means of telephone or teleconferencing or videoconferencing or any other telecommunications facility provided that all participants are thereby able to communicate immediately by voice with all other participants and provided that in the event of any dispute as to the identity of the persons participating in such a meeting of Councillors or as to the accuracy of the record of the proceedings of such a meeting, the decision of the Councillors, acting by majority vote, shall be final.
- * 41B. A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by not less than two-thirds of the Councillors shall be as effective as a resolution duly passed at a meeting of the Council and may consist of several documents in the like form each signed by one or more of the Councillors so approving the resolution in writing.

DEFECTS IN APPOINTMENTS

42. All acts done by any meeting of the Council or by any person acting as a Councillor shall as regards all persons dealing in good faith with the Bureau notwithstanding that there was some defect in the appointment or continuance in office of any Councillor or person acting as aforesaid, or that any such Councillor or person was disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified to be a Councillor.

* As altered by passing Special Resolutions on 24th June 2002.

ACCOUNTS

- * 43. The Council shall cause proper books of account to be kept with respect to:
- (a) all sums of money received and expended by the Bureau and the matters in respect of which the receipt and expenditure takes place;
 - * (b) all sales and purchases of goods by the Bureau; and
 - * (c) the assets and liabilities of the Bureau.
44. Proper books shall be deemed not to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Bureau's affairs and to explain its transactions.
- * 45. The books of account shall be kept at such other place or, subject to section 121(3) of the Ordinance, places as the Council may from time to time think fit, and shall be opened to the inspection of the members at all reasonable times.
- * 46. The Council shall from time to time, in accordance with sections 122 and 129D of the Ordinance, cause to be prepared and to be laid before the Bureau in General Meeting such income and expenditure accounts, balance sheets, and reports as are referred to in those sections.
- * 47. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Bureau in General Meeting, together with a copy of the Councillors' report and a copy of the auditor's report, shall lie for inspection by the members at the office for a period of not less than twenty-one (21) days before the date of the meeting and shall be sent to members as provided in the Ordinance.
48. The Council shall permit the accounts and books of the Bureau to be open at all reasonable times to the inspection of any person duly appointed for that purpose by the Government of Hong Kong.

AUDIT

49. Once at least in every year (other than the year of incorporation) the accounts of the Bureau shall be examined and the correctness of the Balance Sheet ascertained by an auditor or auditors of the Bureau, and the Council shall observe all the provisions of the Ordinance in connection with the appointment of such auditor or auditors and the carrying out of such audit.

NOTICES

50. A notice may be served by the Bureau upon any member either personally or by sending it through the post in a prepaid letter addressed to such member at such member's registered address.

* As altered by passing Special Resolutions on 24th June 2002.

51. No member shall be entitled to have a notice served on him at any address not within Hong Kong, and any member whose registered address is not within Hong Kong may, by notice in writing, require the Bureau to register an address within Hong Kong which, for the purpose of the service of notices, shall be deemed to be such member's registered address. Any member not having a registered address within Hong Kong, and not having given notice as aforesaid, shall not be entitled to any notice.
52. Any notice, if served by post, shall be deemed to have been served on the third day next following that on which it shall have been posted, and in proving such service it shall be sufficient to prove the notice was properly addressed, prepaid and put into a postbox.

WINDING UP

53. Upon the winding up of the Bureau the provisions of Clause 7 of the Memorandum of Association shall have effect and be observed as if the same were repeated herein.
- * 54. No addition, alteration or amendment shall be made to or in this Memorandum of Association or the Articles of Association for the time being in force, unless such alteration has previously been submitted to and approved by the Registrar of Companies in writing.

* As altered by passing Special Resolutions on 24th June 2002.

Names, Addresses and Descriptions of Subscribers

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For and on behalf of
WHEELOCK MARDEN & STEWART LIMITED,
Agents for THE DOMINION INSURANCE COMPANY LIMITED
2nd and 3rd floors,
Marden House,
Hong Kong.
Corporation.

(Sd.) ROBERT J. BODNAR
For and on behalf of
INSURANCE COMPANY OF NORTH AMERICA
6th floor,
China Building,
Hong Kong.
Corporation.

Dated the 1st day of December, 1980.
WITNESS to the above signatures:—

(Sd.) Stewart P. Smith
Solicitor,
Hong Kong.