# MEMORANDUM AND ARTICLES OF ASSOCIATION

# OF

# HONG KONG INTERNET SERVICE PROVIDERS ASSOCIATION LIMITED

# 香港互聯網供應商協會有限公司

Incorporated the _____

STEVENSON, WONG & CO.

Solicitors & Notaries

HONG KONG

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*[Cover page bears the stamps: "CR 2002 C"; "Fee transferred No. C168366038, HK$1,075 on 10.5.2002"; barcode 06489010]*

# CERTIFICATE OF INCORPORATION

COMPANIES ORDINANCE (CHAPTER 32)

香港法例第 32 章 公司條例

CERTIFICATE OF INCORPORATION

公司註冊證書

No. / 編號 _____

I hereby certify that / 本人謹此證明

Hong Kong Internet Service Providers Association Limited

香港互聯網供應商協會有限公司

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

於本日在香港依據公司條例註冊成為有限公司。

Issued by the undersigned on _____

本證書於 ____ 年 ____ 月 ____ 日簽發。

for Registrar of Companies, Hong Kong

香港公司註冊處處長 (公司註冊主任 代行)

*[Blank certificate form — no issue number or date completed on the scanned copy]*

The Companies Ordinance (Chapter 32)

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

# MEMORANDUM OF ASSOCIATION

of

HONG KONG INTERNET SERVICE PROVIDERS ASSOCIATION LIMITED

香港互聯網供應商協會有限公司

1. The name of the company is the "HONG KONG INTERNET SERVICE PROVIDERS ASSOCIATION LIMITED 香港互聯網供應商協會有限公司" ("the Association").

2. The registered office of the Association shall be situated in Hong Kong.

3. The objects of the Association are:-

   (1) To represent, protect, promote, advance the interests of and act for and to focus, co-ordinate and channel two way communication of the Information Technology industry and in particular, the Internet Service Providers industry in Hong Kong (together, "the Industry").

   (2) To encourage and promote just, fair and high ethical standards of practice, to oppose malpractice practices in the conduct and operation of the Industry and to develop the confidence and respect of the public towards the Industry including but without limitation, recommendation, issue and publication of professional standards and codes of practice for the Industry.

   (3) To act as a central advisory consultative and coordinating body for the Industry.

   (4) To represent the Industry and provide an agency for liaison and discussions with all third parties including without limitation any government and agencies thereof on matters concerning the Industry including formulation and promulgation of policies in respect of regulatory and governmental issues involving the Industry.

   (5) To promote public awareness of the Industry, the benefits and essential role thereof and operations therein as a whole.

   (6) To contribute to the growth of the Hong Kong economy and its advancement as an Information Technology hub through the growth of the Industry.

   (7) To collect, compile and disseminate statistical and other information and data amongst the members of the Association ("the Members").

   (8) To collect and disseminate information and knowledge of relevant local and overseas law and regulations and inform Members of such information and knowledge.

   (9) To undertake and conduct surveys related to the Industry.

   (10) To promote equal opportunities in the Industry.

   (11) To provide an opportunity for Members to meet and discuss their common interests relating to matters relating to the Industry.

(12) To advance and promote education, commercial, information technology, technical or otherwise, by, inter alia, holding seminars, conferences and discussion forums relating to or of interest to personnel of the Industry.

(13) To promote, support, or oppose legislative or other measures affecting the Industry.

(14) To represent, express and give effect to the views and opinions of Members on matters connected with the Association and the Industry.

(15) To print and publish any newspapers, periodicals, books or leaflets which the Association may think desirable for the promotion of its objects.

(16) To promote social and business intercourse among Members of the Association and to provide facilities for this purpose.

(17) To do all such things as are incidental or conducive to the attainment of the above objects or any of them and to carry out all or any of the foregoing objects together or independently of each other.

(18) To establish and maintain relations and/or affiliations with any other body in the Industry and other industries whether they have objects similar to the Association or not.

(19) To support or sponsor institutions, associations, professorships, lectureships, scholarships, funds or trusts, for education, research or advancement of knowledge at home or abroad (whether solely concerned with the Industry or not) which may be considered to advance or promote the Industry or the objects of the Association.

(20) To establish, promote, or assist in establishing or promoting, and to subscribe to, or become a member of, any other bodies, associations, federations or clubs whose objects are similar or in part similar to the objects of the Association or the establishment or promotion of which may be beneficial to the Association, provided that no subscription be paid to any such other body, association, federation or club out of the funds of the Association except bona fide in furtherance of the objects of the Association and provided that none of the income and property of the Association shall be paid to any body, association, federation or club which does not prohibit the payment of its income and property by way of profit to its members and where appropriate, whose memoranda and articles of association do not contain similar restrictions on the distribution of assets as are contained in Clause 4 hereof.

(21) To marshal and develop the technical resources and manpower skills necessary and essential to a sound and healthy Industry in Hong Kong, in the interest of the Hong Kong community and its economy, and so that the objects of the Association are met and fulfilled.

(22) To raise funds as may be necessary and administer the same for any of the objects of the Association.

(23) To invest and deal with the moneys of the Association not immediately required upon such securities and in such manner as may from time to time determined and to vary, transpose, sell or otherwise dispose of any such investment.

(24) To purchase take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Association may think necessary or convenient for the promotion of any of its objects.

(25) To sell, improve, manage, cultivate, mortgage, develop, exchange, lease, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the property and

rights of the Association as may be thought expedient with a view to the promotion of its objects.

(26) To draw, make, accept, endorse, discount and execute cheques, bills of exchange, promissory notes and other negotiable instrument for any purpose whatsoever.

(27) To borrow or raise or secure for the purposes of the Association upon such securities as may be determined and in such manner as the Association shall think fit, in particular by the issue of debentures, debenture stock, bonds, bills of exchange, promissory notes, or by mortgage or charge upon all or any part of the property of the Association both present and future and to purchase redeem and pay off any such securities.

(28) To give any guarantee that may be necessary for the payment of any money or the performance of any obligation connected with or arising out of the activities of the Association whether of a pecuniary nature or not, to carry out any obligations, or discharge any liabilities.

(29) To enter into any arrangements with any governments or authorities (supreme, municipal, local or otherwise) or any corporations, chambers or commerce, trade associations, professional bodies, companies or persons that may seem conducive to the objects of the Association or any of them, and to obtain from any of the foregoing any charters, contracts, decrees, rights, privileges and concessions which the Association may think desirable, and to carry out, exercise and comply, with any such charges, contracts, decrees, rights privileges and concessions.

(30) To remunerate any person, firm or company rendering services to the Association whether by cash payment or otherwise.

(31) To apply the funds of the Association in payment of all expenses properly incurred relating to the formation of and raising of money for the Association and in satisfaction of expenses, debts and liabilities which may be properly incurred in the course of or incidentally to the carrying out of all or any of the purposes of the Association.

(32) To undertake and execute any trusts which may be lawfully undertaken by the Association and may be conducive to its objects.

(33) To indemnify any office or employee of the Association in respect of any action taken or to be taken or any liability incurred or to be incurred by such officer or employee in any manner which the Association in general meeting may consider would further the objects and policy of the Association.

(34) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts or conveniences calculated to benefit employees and former employees of the Association or the dependents of such persons and to grant pensions and allowances to such employees or former employees.

(35) To set up branches and sub-industry groups in Hong Kong or elsewhere for the purposes of carrying out the objects of the Association.

4. The income and property of the Association, whencesoever derived, shall be applied solely towards the promotion of the objects of the Association as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the Members or any of them, provided that nothing herein shall prevent the payment in good faith of reasonable and proper remuneration to any officer, servant or employee of the Association or to any Member, nor prevent the payment of interest at a rate not more than 12 per cent per annum on money lent or reasonable and proper rent for premises demised or let by any Member; but so that no

Councillor shall be appointed to any salaried office of the Association, or any office of the Association paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Association to any Councillor 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 Association provided that the provision last aforesaid shall not apply to any payment to any company of which a Councillor may be a member and in which such member shall not hold more than a one-hundredth part of the capital, and such Councillor shall not be bound to account for any share of profits be may receive in respect of such payment.

5. The liability of the Members is limited.

6. Every Member undertakes to contribute to the assets of the Association in the event of the same being wound up whilst he is a Member, or within one year after he ceases to be a Member for the payment of debts and liabilities of the Association contract before he ceased to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding Ten (10.00) Hong Kong Dollars.

7. If upon the winding up or dissolution of the Association there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed amongst the Members but shall be given or transferred to some other institution or institutions, having objects similar to the objects of the Association, and which shall prohibit the distribution of it or their income and property amongst its or their members to an extent at least as great as is imposed on the Association under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the Members at or before the time of dissolution and in default thereof by a Judge of the High 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.

8. True accounts shall be kept of the sums of money received and expended by the Association, and the matters in respect of which such receipts and expenditure take place, and of the property, credits and liabilities of the Association; and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Association for the time being in force, shall be open to the inspection of the Members. Once at least in every year the accounts of the Association shall be examined, and the correctness of the balance sheet ascertained by one properly qualified auditor or auditors.

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

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Names, Addresses and Descriptions of Subscribers

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a. For and on behalf of **CLP Telecommunications Limited**
Signed by Andy Lake, Director of Products & Operations, with its business address at 4/F, Lincoln House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong. Body Corporate.
*Signed:* A. P. LAKE — *Dated:* 9 May 2002

b. For and on behalf of **France Telecom Long Distance - Hong Kong Ltd.**
Signed by Henry Yeung, Director, Local Carrier Sales Greater China, with its business address at 16/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. Body Corporate.
*Signed:* HENRY YEUNG — *Dated:* 9 May 2002

c. For and on behalf of **CPCNet Hong Kong Limited**
Signed by Ronald Kwan, General Manager, e-Business Solutions, with its business address at 20/F, Lincoln House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong. Body Corporate.
*Signed:* RONALD KWAN — *Dated:* 9 May 2002

d. For and on behalf of **TechCreations Co. Ltd.**
Signed by Che-Hoo Cheng, Director, Business Development, with its business address at 27/F, Yan's Tower, 27 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong. Body Corporate.
*Signed:* CHE-HOO CHENG — *Dated:* 9 May 2002

e. For and on behalf of **Global Information Networks Ltd.**
Signed by Chester Soong, Managing Director, with its business address at Room 904 & 905, Hua Fu Comm. Bldg., 111 Queen's Road West, Hong Kong. Body Corporate.
*Signed:* CHESTER SOONG — *Dated:* 9 May 2002

f. For and on behalf of **Internet Access H.K. Limited**
Signed by Jeffrey Vong, Chief Technical Officer, Founder, with its business address at 19/F, Winsan Tower, 92-98 Thomson Road, Wanchai, Hong Kong. Body Corporate.
*Signed:* JEFFREY, CHIOK VA VONG — *Dated:* 9 May 2002

g. For and on behalf of **Netfront Information Technology Limited**
Signed by Lento Yip, General Manager, with its business address at Unit A-E, 13/F, Golden Sun Centre, 59-67 Bonham Strand West, Sheung Wan, H.K. Body Corporate.
*Signed:* Lento Yip — *Dated:* 9 May 2002

Witness to signatures (a) to (d), (f) and (g): Chester Soong, Managing Director, Global Information Networks Ltd., Rm 904 & 905, Hua Fu Comm. Bldg., 111 Queen's Rd. West, Hong Kong.

Witness to signature (e): Angus Hamish Forsyth, Solicitor, Hong Kong SAR, Rooms 2002-2009, 20th Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong.

The Companies Ordinance (Chapter 32)

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COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

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# ARTICLES OF ASSOCIATION

of

HONG KONG INTERNET SERVICE PROVIDERS ASSOCIATION LIMITED

香港互聯網供應商協會有限公司

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## PRELIMINARY

1.

(a) The regulations in Table C in the First Schedule to the Companies Ordinance (Chapter 32) shall not apply to the Association.

(b) For the purposes of the Companies Ordinance (Chapter 32) the members from time to time of the General Committee shall be deemed to be the directors of the Association.

## GENERAL

2. In these presents and in this Memorandum of Association the words standing in the first column of the Table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, unless there be something in the subject or context inconsistent therewith:-

| **WORDS** | **MEANINGS** |
|---|---|
| Association | The Company incorporated in Hong Kong as the HONG KONG INTERNET SERVICE PROVIDERS ASSOCIATION LIMITED 香港互聯網供應商協會有限公司 |
| Alternate | bears the meaning in Article 57 hereof. |
| Council | Council or the Association of the Association for the time being. |
| Councillor | Member appointed to the Council from time to time. |
| Dollars and "$" | Hong Kong Dollars. |
| HKITF | The Company incorporated in Hong Kong as the HONG KONG INFORMATION TECHNOLOGY FEDERATION LIMITED. |
| Hong Kong | The Hong Kong Special Administrative Region of the People's Republic of China. |
| In writing | Written, printed, lithographed, e-mailed or produced by any substitute for writing or part one partly another in a visible or readable form. |
| Industry | The Information Technology industry and in particular, the Internet Service Providers industry in Hong Kong. |

| | |
|---|---|
| Internet Service Providers or ISPs | Providers of services access to individuals and companies to the Internet and other related services. |
| Member | A member of the Association. |
| Membership Test | Bears the meaning in Article 7C(i) hereof. |
| Month | Calendar Month. |
| New Company | Bears the meaning in Article 11(c) hereof. |
| Office | The registered office of the Association. |
| Ordinance | The Companies Ordinance, Chapter 32 as modified from time to time. |
| Original Corporate Member | Bears the meaning in Article 11(c) hereof. |
| Seal | The Common Seal of the Association. |
| These presents | The Articles of Association and the regulations of the Association from time to time in force. |

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

Words of the masculine gender only shall include the feminine gender and vice versa.

Words importing personal shall include corporations.

Subject as aforesaid, any words or expressions defined in the Ordinance or any statutory modification thereof in force at the date on which these presents become binding on the Association shall, if not inconsistent with the subject or context, bear the same meanings in there presents.

## MEMBERSHIP

3. The maximum number of Members registered by the Association is unlimited.

4. The provisions of section 95 of the Ordinance shall be observed by the Association, and every Member of the Association shall sign a written consent to become a Member.

5. The Association is established for the objects expressed in the Memorandum of Association.

6. The subscribers to the Memorandum of Association and such others as the Council shall at its discretion (which discretion must not be exercised unreasonably) admit to membership in accordance with the provisions hereinafter contained shall be the Members of the Association.

7.

A.

(a) The first Full Members of the Association shall be the subscribers to these Articles of Association.

(b) Other than those named in 7A(a) above, membership of the Association shall consist of ISPs, merchants, manufacturers, members of professions and others (including corporations and individuals) having or expressing interest in having service provision, trade, manufacturing, educational or other legitimate connections with the Industry who shall satisfy the qualifications for

membership in any of the categories set out below and who shall be elected to membership by simple majority of the Council.

B. There shall be two categories of Members as follows:-

(i) Full Member

Any ISP who is a Public Non-Exclusive Telecommunications Services licensee in Hong Kong is eligible to join the Association as a member upon approval of the Council and payment of the membership fees from time to time. The Council in its discretion may from time to time issue or vary membership rules, regulations and directives of the Association.

(ii) Associate Member

Any company or individual having or expressing interest in having trade, educational or other legitimate connections with the Industry who does not satisfy the qualifications for membership in 7B(i) set out above is eligible to join the Association as an associate member upon approval of the Council. The Council in its discretion may from time to time issue or vary membership rules, regulations and directives of the Association.

C. Memberships shall be open only to entities of the following types:

(i) a company incorporated under the laws of Hong Kong which has been engaged in the particular type of trade by which it is eligible for membership under Article 7B hereof (hereinafter called "the Membership Test") in Hong Kong;

(ii) a company registered in Hong Kong under Part XI of the Ordinance which either in its country of incorporation or in Hong Kong satisfies the Membership Test;

(iii) a sole-proprietorship that is registered under the Business Registration Ordinance and satisfies in Hong Kong the Membership Test; and

(iv) associate membership is open to, inter alia, individuals.

8. An Associate Member shall be entitled to participate in all the activities of the Association including the right to receive notice of meetings of the Members and to vote except that it may not hold any office by virtue of its being an Associate Member. An Associate Member shall not be subject to the liability of the Members under Clause 7 of the Memorandum of Association by virtue of its being an Associate Member.

9. Applications for membership as a Member shall be in writing addressed to the Council and shall be accompanied by evidence as to eligibility for membership.

10. On receipt of a valid application for membership the Council shall determine whether the individual or company should be accepted as a Member of the Association and the category of membership that shall apply. The decision of Council shall be final.

11. A Member shall cease to be a Member in any of the following events:-

(a) It gives one month's notice in writing to the Secretary, but the Council may in its absolute discretion resolve to accept the resignation of a member notwithstanding such one month notice has not been given, or

(b) It no longer satisfies the criteria for memberships as set out in Article 7 hereof, or

(c) If an incorporated company, it is ordered to be wound up under an order of any Court, or resolves by special resolution to wind up, provided that where an incorporated company being a Member ("the Original Corporate Member") winds up or dissolves for the purposes of an amalgamation or reconstruction and following such amalgamation or reconstruction a new company ("the New Company") is formed with the same or substantially the same objects and carries on the same or substantially the same business as that of the Original Corporate Member so that the New Company would be entitled to membership of the Association, then the New Company shall be substituted for the Original Corporate Member and shall accede in all respects to these presents as if it has been the Original Corporate Member, or

(d) If a sole-proprietorship, then

(i) a bankruptcy petition is filed against the proprietor, or

(ii) he compounds with his creditors, or

(e) If in the opinion of the Council a Member has refused or neglected to comply with the provisions of these presents, the Council may submit the question of expulsion to an Extraordinary General Meeting. At such meeting, the Member concerned shall be allowed to offer an explanation of its conduct verbally or in writing, and if thereupon two-thirds of the Members present in person or by proxy shall vote for its expulsion from the membership of the Association, it shall thereupon cease to be a Member; provided that the voting at such Extraordinary General Meeting shall be by ballot if not less than three Members present thereat and entitled to vote shall so demand, or

(f) It fails to pay to the Association the subscription or levy payable by it within 90 days after the date upon which such subscription or levy is payable, such Member shall thereupon be automatically suspended from membership provided that the Council may in its discretion extend the said period of 90 days. The Member will be advised of such suspension whereupon should it fail to pay in full all subscriptions or levies outstanding within 3 days of receipt of such advice it shall cease to be a member but may be reinstated to membership by the Council in its absolute discretion and upon such terms and conditions as it may see fit.

12. Members shall be levied fees and levies as follows:-

(a) Each member shall subject to sub-clause (b) hereof pay to the Association:-

(i) within one month of acceptance of its application for membership of the Association and thereafter within one month of the commencement of the Association's financial year a minimum annual subscription of One Thousand and Fifty (1,500.00) Hong Kong Dollars or such other sum as may be set by the Council in its entire discretion; or

(ii) within one month of acceptance of its application for joint membership of the Association and HKITF and thereafter within one month of the commencement of the Association's financial year a minimum annual subscription of Two Thousand (2,000.00) Hong Kong Dollars or such other sum as may be set by the Council in its entire discretion.

(b) At least once in each financial year, at such time as it is considered appropriate, the Council shall review the amount of subscription fees and if it considers it necessary, it shall vary the said fees and the same shall be payable by the Members.

(c) Each member shall within ninety days after being requested to do so by the Secretary by notice in writing and subject to any determination by the Council under the

preceding sub-clause pay its subscription. The subscription shall be paid either in one sum or by such installments as the Council may decide.

(d) The Council may in addition submit for the approval of the Members at a General Meeting a special levy for a special purpose which may be assessed proportionately against the Members or otherwise as it may consider appropriate having regard to the purpose.

13. Any Member ceasing to be a Member shall remain liable for and shall pay to the Association all subscriptions and levies which were due at the date he ceased to be a Member.

## REPRESENTATIVES

14. Any Member which is an incorporated company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representatives at any meeting of the Association or for any period of time, and the person so authorised shall be entitled to exercise the same powers on behalf of the company he represents as that company could exercise if it were an individual person who was a member of the Association.

15. The names, descriptions and official addresses of all such representatives appointed under Article 14 hereof shall be recorded in the Register of Members.

## GENERAL MEETINGS

16. The Association shall hold an Annual General Meeting once every calendar year within three calendar months to the end of each calendar year or at such other date and at such time and place as may be determined by the Council, and shall specify the meeting as such in the notices calling it, provided that every Annual General Meeting shall be held not more than fifteen months after the holding of the last preceding annual General Meeting.

17. All General Meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.

18. Upon reviewing a joint written request of at least twenty percent (20%) of the total voting rights of all Members or at such times as the Council may think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall be convened on such requisitionists, as provided by section 113 of the Ordinance. If at any time there are not within Hong Kong Councillors capable of acting to form a quorum, any Councillor, the Secretary or any two Members may convene an Extraordinary General Meeting in the same manner as nearly as possible to that in which meetings may be convened by Councillors.

19. Twenty-one days' notice in writing at the least of every Annual General Meeting and of every meeting convened to pass a Special Resolution; and fourteen days' notice in writing at the least of every other General Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given), specifying the place, the day and the hour of meeting, and in the case of special business the general nature of that business, shall be given in manner hereinafter mentioned to such persons (including the Auditors) as are under these presents or under the Ordinance entitled to receive such notices from the Association but with the consent of all the Members having the right to attend and vote thereat, or of such proportion of them as is prescribed by the Ordinance in the case of the meetings other than Annual General Meetings, a meeting may be convened by such notice as those Members may think fit.

20. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof, shall not invalidate any resolution passed or proceeding had at any meeting.

## PROCEEDINGS AT GENERAL MEETINGS

21. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Board and of the Auditor, the election of the Chairman of the Association, the election of the other Councillors in the place of those retiring, and the appointment of, and the fixing of the remuneration of, the Auditor.

22. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided twenty percent (20%) of the total number of Members present in person or by duly appointed representatives and entitled to vote shall be a quorum.

23. If within half an hour from the time appointed for the holding of the General Meeting, a quorum is not present, the meeting if convened on the requisition of members shall be dissolved. In any other case it shall stand adjourned to such day, at such time and place as may be determined and notified by the Council by giving at least fourteen (14) days' written notice, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum.

24. The Chairman of the Association or in the event of his absence, a Vice Chairman shall preside as Chairman at every General Meeting, or if at any meeting none of them shall be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to preside, the Members present shall choose some other member of the Council, or if no such member be present, or if all the members of the Council present decline to take the Chair, they shall choose some Member who shall be present to preside.

25. The Chairman of the meeting, may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.

26. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the Chairman of the meeting or by at least three Members, and unless a poll be so demanded a declaration by the Chairman of the meeting 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 minutes book of the Association shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn.

27. Subject to the provisions of Article 29, if a poll be demanded in manner aforesaid, it 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 the resolution of the meeting at which the poll was demanded.

28. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.

29. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote provided he shall abstain from casting such vote in case of conflict of his personal interests which he shall declare at the commencement of the meeting. The Vice Chairman shall be entitled to a second or casting vote upon such abstention of the Chairman.

30. The demand of a poll shall not prevent the continuance of a meeting for the transaction for any business other than the question on which a poll has been demanded.

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

## VOTES OF MEMBERS

32. Subject as hereinafter provided, every Member shall have one vote, which must be exercised personally or by proxy, or where the Member is corporation by its representative or by proxy.

33. Save as herein expressly provided, no Member other than a Member duly registered, who shall have paid every subscription and other sum (if any) which shall be due and payable to the Association in respect of its membership, shall be entitled to vote on any question at any General Meeting.

34. On a poll, votes may be given either by a Member's duly appointed representative or by proxy.

35. The representative of a Member shall have power to appoint another person being one of that Member's officers to represent the Member in its stead and to vote on its behalf at any meeting or adjournment thereof or provided it gives authority in writing to such substitute representative. Unless inconsistent with the context the term "representative" where herein used shall include a substitute representative so appointed.

36. Any Member not being an individual and having no representative in the place at which a meeting of the Association is held may vote proxy at such meeting. The instrument appointing the proxy shall be in writing under the hand of a duly authorised officer. A proxy must be an officer or a Member.

37. Any Member who is an individual may attend meetings and vote in person or appoint a proxy in writing and such proxy does not have to be a Member or a Representative.

38. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power of authority shall be deposited at the registered office of the Association not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

39. An instrument appointing a proxy may be in substantially the following form, or any form which the Council shall approve:-

> "We, _____ of _____, being a member of Hong Kong Internet Service Providers Association Limited 香港互聯網供應商協會有限公司, ("the Association") hereby appoint _____ of _____ as our proxy to vote for us and on our behalf at the Ordinary/Extraordinary General

Meeting of the Association to be held on _____ day of _____, at any adjournment thereof."

Signed and Sealed (as may be appropriate) this _____ day of _____.

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

## THE COUNCIL

41. Only a Member who is the representative of a Full Member shall be eligible to hold office as a Councillor, including being the Chairman. An Associate Member who is an individual shall not be eligible to hold office as a Councillor (including being the Chairman).

42. Until otherwise determined by a General Meeting, the Council shall comprise a Chairman (see Article 55) and a Vice Chairman, a Secretary and four (4) other Councillors who shall be elected at an Annual General Meeting

43. A Chairman, Vice Chairman and Secretary shall hold office for a term of two years upon which he shall be eligible for re-election for another term of two years.

44. No one person can hold the office of Chairman for more than two consecutive terms although he can be re-elected following the completion of at least one term, or two years, since he last served as Chairman.

45. When the office of Chairman becomes vacant the Council will elect a Chairman from amongst the Councillors to serve until the next General Meeting.

46. Subject to Article 43 above, a Councillor shall hold office for two (2) year upon which he shall be eligible for re-election for another year.

47. A Councillor shall vacate from office:-

(a) if he is removed from office by an Annual General Meeting or an Extraordinary General Meeting. Provisions for the giving of notice and proceedings of the meeting shall be the same as if the meeting was a General Meeting of the Members of the Association, or

(b) if he becomes bankrupt or if receiving order is made against him or he makes any arrangement or composition with his creditors, or

(c) if he becomes of unsound mind, or

(d) if he ceases to be a Member or a representative of a Member, or

(e) if by giving one (1) calendar month's notice in writing to the Council, he resigns his office, or

(f) if he is convicted of an indictable offence, or

(g) if he has his office vacated or becomes prohibited from being a Councillor under any of the provisions of the Ordinance or any order made under the Ordinance, or

(h) if he fails to declare the nature of his interest in any contract or proposed contract with the Association.

48. Whenever there is a vacancy in the numbers of Councillors the Council may co-opt any Member or representative thereof to serve as Councillor until the next General Meeting.

## POWERS OF THE COUNCIL

49. The affairs of the Association shall be managed by the Council who may pay all such expenses of, and preliminary and incidental to the promotion, formation, establishment and registration of the Association as it thinks fit, and may exercise all such powers of the Association and do on behalf of the Association all such acts as may be exercised and done by the Association, and as are not by statute or by these presents required to be exercised or done by the Association in the General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the statutes for the time being in force and affecting the Association and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Association in General Meeting, but no regulation made by the Association in General Meeting shall invalidate any prior act of the Council which would have been valid if such regulation had not been made.

50. The Council shall have the management of the income, funds and property of the Association and no expenditure may be incurred or money paid by or on behalf of the Association otherwise than with the approval of the Council.

51. The Council shall be empowered to appoint Solicitors, Bankers, Secretaries and all such officers and servants of the Association as it may consider necessary and shall regulate their duties, fix or negotiate their salaries, remuneration, or other terms of employment.

52. The Council may delegate any of its powers to Committees consisting of at least one Councillor and such other person as it may determine upon such terms and conditions as the Council may see fit and may fix the quorum of any such Committee and shall provide for the rules and regulations for the proceedings of such Committee, provided that there shall be no salary or remuneration payable to any Councillor in such Committees.

53. The Council may appoint such Advisory Boards as it deems necessary and may make rules relating to the appointment and removal of members of such boards, the conduct of their meetings, the appointment and the duties of the Chairman of such boards and all other matters relating thereto.

54. At the discretion of Council, the Councillors may be paid travelling, hotel and other expenses properly incurred by them for the purposes of attending meetings of the Council or Committee or General Meetings of the Association or in connection with the Business of the Association.

55. The Council shall elect from among the Councillors including approved Alternates a Chairman, a Vice Chairman and a Secretary at the first Council Meeting after each Annual General Meeting. The Chairman, Vice Chairman and Secretary shall remain in office for two (2) year but shall be eligible for re-election and none of them shall receive any salary or remuneration. Such Chairman, Vice Chairman and Secretary shall not retire or resign during their term of office unless they cease to hold office as a Councillor.

56. The Council shall maintain, promote and enforce a Code of Ethics under terms and conditions that it shall agree from time to time.

## ALTERNATE COUNCILLORS

57. A Councillor may appoint another person to be his alternate (an "Alternate") in his place, subject to the approval of a majority of the Council.

58. Any person while he holds office of an Alternate shall be entitled to notices of meetings of the Council and to attend and vote thereat and to exercise all the powers of the appointor in his place.

59. An Alternate shall automatically vacate office if the appointor vacates office as a Councillor or if the Alternate is removed by the appointor from Office.

60. Any appointment or removal of the Alternate shall be effected by notice in writing under the hand of the Councillor making the same addressed to the Councillor.

61. The provisions of Articles 49 - 56 apply in the case of an Alternate mutatis mutandis.

## PROCEEDINGS OF THE COUNCIL

62. Subject as hereinafter provided the Council may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Upon receipt of a written request signed by at least twenty percent (20%) of the aggregate number of Councillors or at any time determined by the Chairman, the Chairman or Secretary on instructions of the Chairman shall summon a Meeting of the Council within two (2) calendar weeks thereof.

63. The Council shall meet at such days, times and places as shall be determined from time to time by the Chairman.

64. Every Councillor shall have one vote.

65. Not less than one (1) month's notice shall be given to every Councillor of any meeting of the Council specifying the time, place and general nature of the business of such meeting in the said notice but where the Chairman considers an emergency exists he may take such steps as he considers necessary to notify Councillors of the proposed meeting notwithstanding that one (1) month's notice shall not have been given.

66. Three (3) Councillors shall constitute a quorum for a meeting of the Council. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote provided he shall abstain from casting such vote in case of conflict of his personal interests. The Vice Chairman shall be entitled to a second or casting vote upon such abstention of the Chairman.

67. The Chairman shall preside at every meeting of the Council. If he is unwilling to so act, the Councillors present shall elect one of their number to be Chairman of the meeting.

68. All acts done by any meeting of the Council or by any person acting as a Councillor shall notwithstanding that it afterwards be discovered there was some defect in the appointment of any such person or persons acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Councillor.

69. A Resolution in Writing signed by all the Councillors for the time being shall be as effective for all purposes as a resolution of the Councillors passed at a meeting duly convened, held and constituted. A cable, or telex message, or electronic, telephone, radio or other facsimile documentary transmission of, or of confirmation of, such Resolution in Writing and sent by a Councillor shall be deemed to be his signature to such Resolution in Writing for the purposes of this Article and such Resolution in Writing may in such circumstances consist of more than one document.

## ACCOUNTS

70. The Council shall cause proper books of account to be kept with respect to:-

(a) all sums of money received and expended by the Association and the matters in respect of which such receipts and expenditure take place;

(b) all sales and purchases of goods and services by the Association; and

(c) the assets and liabilities of the Association.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Association and to explain its transactions.

71. The books of account shall be kept at the office, or subject to section 121 (3) of the Ordinance, at such other place or places as the Council shall think fit and shall always be open to the inspection of the Council.

72. The Association in General Meeting may from time to time impose reasonable restrictions as to the time and manner of the inspection by the Members, other than Councillor of the accounts and books of the Association, or any of them, and subject to such restrictions the accounts and books of the Association shall be open to the inspection of such Members at all reasonable times during business hours.

73. At the Annual General Meeting in every year the Council shall lay before the Association a proper income and expenditure account for the period since the last preceding account (or in the case of the first account since the incorporation of the Association) made up to a date not more than six months before such meeting, together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Association and the Auditors and copies of such account, balance sheet and reports (all of which shall be framed in accordance any statutory requirement for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not be less than fourteen clear days before the date of the meeting, subject nevertheless to the provisions of section 129G (1)(c) of the Ordinance, be sent to the Auditor and to all other persons entitled to receive notices of General Meetings in the manner in which notices are hereinafter directed to be served. The Auditor's report shall be open to inspection and be read before the meetings required by section 141 of the Ordinance.

74. The Council may from time to time by resolution appoint an assistant or Deputy Secretary at such remuneration and upon such conditions as it may think fit, and any assistant or Deputy Secretary so appointed may be removed by the Council. Any person so appointed may act in place of the Secretary, if there be no Secretary or no Secretary capable of acting. The assistant or Deputy Secretary may attend Council Meetings and General Meetings.

## SEAL

75.

(a) The Council shall forthwith procure a common seal to be made for the Association, and shall provide for the safe custody thereof. The Seal shall not be affixed to any instrument except authority of a resolution of the Council and the one Councillor and Secretary shall sign every instrument to which the seal shall be so affixed, and in favour of any purchaser or person "bona fide" dealing with the Association such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

(b) The Association may exercise all the powers conferred by section 35 of the Ordinance and such powers shall be in the hands of the Council.

## AUDIT

76. At least once in every year the accounts of the Association shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by a properly qualified Auditor who shall prepare a report for the Annual General Meeting on the correctness thereof.

77. The Auditor shall be appointed at the Annual General Meeting and shall hold office for the ensuing year and shall be eligible for re-election. The duties of the Auditor shall be regulated by sections 131 and 140 of the Ordinance.

## NOTICES

78. A notice may be served upon any Member either personally or by post in prepaid letters or circulars or facsimile, addressed to such Members to it at its registered address, or if it has no registered address within Hong Kong, to the address, if any, within Hong Kong supplied by the Member to the Association for the giving of notices to it or by advertisement twice in one or more daily newspapers circulating in Hong Kong.

79. Any notice sent by post shall deemed to have been served at the time when the letter or circular containing the same would be delivered in the ordinary course of post, and in proof of such service, it shall be sufficient to show that the letter containing the notice was properly addressed and posted and any advertised notice shall be deemed to have been duly served on the day following that on which the second of such advertisements appeared in the newspaper.

80. Notice of every General Meeting shall be given in the same manner hereinbefore authorised to: (a) every Member except those Members who (having no registered address within Hong Kong) have not supplied to the Association an address within Hong Kong for the giving of notices to them, and (b) the Auditor for the time being of the Association. No other person shall be entitled to receive notices of General Meetings.

## INDEMNITY

81. Every Councillor, Agent, Auditor, Secretary and other officer for the time being of the Association shall be indemnified out of the assets of the Association against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 358 of the Ordinance in which relief is granted to him by a Court.

## DISSOLUTION

82. The Association shall be dissolved at the General Meetings or Extraordinary General Meetings upon approval of two thirds (2/3) of the aggregate number of Members present either in person or by proxy at such meetings. The provisions of Clause 7 of the Memorandum of Association relating to the winding up or dissolution of the Association shall have effect and be observed as if the same were repeated in these presents.

WE, the several persons whose names, addresses and descriptions are hereto subscribed, are desirous of being formed into a company in pursuance of these Articles of Association.

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Names, Addresses and Descriptions of Subscribers

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a. For and on behalf of **CLP Telecommunications Limited**
Signed by Andy Lake, Director of Products & Operations, with its business address at 4/F, Lincoln House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong. Body Corporate.
*Signed:* A. P. LAKE — *Dated:* 9 May 2002

b. For and on behalf of **France Telecom Long Distance - Hong Kong Ltd.**
Signed by Henry Yeung, Director, Local Carrier Sales Greater China, with its business address at 16/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. Body Corporate.
*Signed:* HENRY YEUNG — *Dated:* 9 May 2002

c. For and on behalf of **CPCNet Hong Kong Limited**
Signed by Ronald Kwan, General Manager, e-Business Solutions, with its business address at 20/F, Lincoln House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong. Body Corporate.
*Signed:* RONALD KWAN — *Dated:* 9 May 2002

d. For and on behalf of **TechCreations Co. Ltd.**
Signed by Che-Hoo Cheng, Director, Business Development, with its business address at 27/F, Yan's Tower, 27 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong. Body Corporate.
*Signed:* CHE-HOO CHENG — *Dated:* 9 May 2002

e. For and on behalf of **Global Information Networks Ltd.**
Signed by Chester Soong, Managing Director, with its business address at Room 904 & 905, Hua Fu Comm. Bldg., 111 Queen's Road West, Hong Kong. Body Corporate.
*Signed:* CHESTER SOONG — *Dated:* 9 May 2002

f. For and on behalf of **Internet Access H.K. Limited**
Signed by Jeffrey Vong, Chief Technical Officer, Founder, with its business address at 19/F, Winsan Tower, 92-98 Thomson Road, Wanchai, Hong Kong. Body Corporate.
*Signed:* JEFFREY, CHIOK VA VONG — *Dated:* 9 May 2002

g. For and on behalf of **Netfront Information Technology Limited**
Signed by Lento Yip, General Manager, with its business address at Unit A-E, 13/F, Golden Sun Centre, 59-67 Bonham Strand West, Sheung Wan, H.K. Body Corporate.
*Signed:* Lento Yip — *Dated:* 9 May 2002

Witness to signatures (a) to (d), (f) and (g): Chester Soong, Managing Director, Global Information Networks Ltd., Rm 904 & 905, Hua Fu Comm. Bldg., 111 Queen's Rd. West, Hong Kong.

Witness to signature (e): Angus Hamish Forsyth, Solicitor, Hong Kong SAR, Rooms 2002-2009, 20th Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong.