

THE COMPANIES ORDINANCE (CHAPTER 622)

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

INVESTOR AND FINANCIAL EDUCATION COUNCIL
投資者及理財教育委員會

PRELIMINARY

The regulations in Table “A” in the First Schedule to the predecessor Ordinance as defined in section 2(1) of the Companies Ordinance (Chapter 622) and the Model Articles for Companies Limited by Guarantee as contained in Schedule 3 to the Companies (Model Articles) Notice (Chapter 622H) shall not apply to the Council. Any reference to an “Article” or “Articles” shall mean an article or articles contained herein.

INTERPRETATION

1. In these Articles -

Articles means these articles of association as from time to time altered by special resolution.

Board of Directors means the board of Directors of the Council.

Chairman means the chairman of the Council for the time being.

Commission means the Securities and Futures Commission established under the Securities and Futures Commission Ordinance (now repealed) which continues in existence in its original name under the SFO.

Council means Investor and Financial Education Council 投資者及理財教育委員會.

Director means any person for the time being appointed as a director of the Council or a member of the governing body of the Council.

Hong Kong means the Hong Kong Special Administrative Region of the People’s Republic of China.

Members means the Commission and other ordinary members admitted to the Council by the Commission and whose name appears on the Register for the time being.

Office means the registered office of the Council;

Ordinance means the Companies Ordinance, Chapter 622 of the Laws of Hong Kong including the related subsidiary legislation and including any statutory re-enactment or modification thereof for the time being in force;

Predecessor Ordinance means the predecessor Ordinance as defined in section 2(1) of the Ordinance;

Register means the Register of Members of the Council;

Seal means the common seal of the Council or any official seal that the Council may be permitted to have under the Ordinance;

Secretary means any person appointed to perform the duties of the secretary of the Council; and

SFO means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) including any statutory re-enactment or modification thereof for the time being in force.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

These Articles shall be construed with reference to the provisions of the Ordinance and terms used in these Articles shall be taken as having the same respective meanings as they have when used in the Ordinance.

NAME

2. The name of the company is “Investor and Financial Education Council 投資者及理財教育委員會”.

REGISTERED OFFICE

3. The registered office of the Council will be situated in Hong Kong.

OBJECT

4. The objects for which the Council is established are:
 - (1) to enhance understanding and knowledge of members of the public of financial services including the operation and functioning of the securities and futures industry and the benefits, risks and liabilities associated with purchasing financial services including investing in financial products;
 - (2) to encourage the public to appreciate the relative benefits of purchasing different types of financial services including investing in financial products through persons carrying on activities regulated by the Securities and Futures Commission in Hong Kong under any of the relevant provisions;
 - (3) to promote understanding by the public of the importance of:

- (i) making informed decisions regarding the purchasing of financial services and transactions and activities related to financial products; and
 - (ii) taking responsibility for those decisions; and
- (4) to do all such other lawful things as are incidental or conducive to the attainment of the above objects.

Provided that: -

- (i) in case the Council shall take or hold any property which may be subject to any trusts, the Council will only deal with or invest the same in such manner as allowed by law, having regard to such trusts;
- (ii) the objects of the Council shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers; and
- (iii) the powers set forth in the Seventh Schedule of the predecessor Ordinance (as defined in section 2(1) of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong) are hereby excluded.

POWERS

5. The Council has power to do anything which is calculated to further its objects but not otherwise, or is conducive or incidental to doing so. In particular, the Council has powers:
- (1) to accept donations and endowments for all or any of the purposes herein provided and to support establishments and institutions for any of the purposes herein provided, provided that none of the funds of the Council shall be paid to any institution or undertaking which pays or transfers directly or indirectly any part of its income or property by way of dividend, bonus, distribution in specie or otherwise howsoever by way of profit to its Members;
 - (2) to purchase, take on lease, or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Council may think necessary or convenient for the purposes of the Council and to furnish and maintain the same to be used by Members, visitors and other persons either gratuitously or for payment;
 - (3) to carry on any other business or activity and do any act or thing which in the opinion of the Council is or may be capable of being conveniently carried on or done in connection with any of the above, or likely directly or indirectly to enhance the value of or render more profitable all or any part of the Council's property or assets or otherwise to advance the interests of the Council or its Members;
 - (4) to manage, maintain, improve, and develop all or any part of the property, land, building or buildings of the Council and to operate or use in conjunction or co-ownership with others, lease, mortgage, underlet, exchange, surrender, sell, turn to account or otherwise deal with and dispose of the same or any part or parts thereof or interest therein, for such consideration and on such terms and conditions as the Council may think fit, and, in particular, for shares, debentures or securities of any company purchasing or acquiring any interest in the same;
 - (5) to invest and deal with the moneys of the Council not immediately required in such manner as may from time to time be determined;

- (6) to raise money by subscription or other lawful means for the purpose of the above objects or any of them;
 - (7) to borrow or raise or secure the payment of money required for the purposes of the Council in such manner as the Council shall think fit and to secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the Council in any way and in particular by mortgage or charge upon all or any part of the Council's property both present and future;
 - (8) to guarantee in any manner, or to enter into any indemnity or other arrangements in relation to the discharge of any liabilities or the observance or performance of any kind of obligations of the Council;
 - (9) to establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuating funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances, benefits or emoluments to, any persons who are in the employment or service of the Council, and the wives, widows, families and dependants of any such persons, and to make payments for or towards the insurance of any such persons as aforesaid;
 - (10) to promote hold and participate in exhibitions in Hong Kong or elsewhere and to organize all other activities for the purposes of all or any of the objects of the Council;
 - (11) subject to Article 79, to establish, promote or assist in establishing or promoting and to subscribe to or become a member of or affiliate or amalgamate with any other bodies whose objects are similar or in part similar to those objects of the Council or the establishment or promotion of which may be beneficial to the Council provided that such bodies shall have a provision in their constitutions prohibiting the distribution of their income and property amongst their members to an extent at least as great as is imposed on the Council under or by virtue of Article 6; and
 - (12) to do all or any of the above things as principal, agent, contractor, trustee or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.
6. (1) The income and property of the Council, however derived, shall be applied solely towards the promotion of the objects of the Council as set out in these Articles.
- (2) Subject to sub-clauses (4) and (5) below, no portion of the income and property of the Council shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever, to Members.
- (3) No Director, other than the General Manager of the Council, shall be appointed to any salaried office of the Council, or any office of the Council paid by fees and no remuneration or other benefit in money or money's worth shall be given by the Council to any Director, other than the General Manager of the Council.
- (4) Nothing herein shall prevent the payment, in good faith, by the Council of reasonable and proper remuneration to any officer or servant of the Council, or to any Member not being a Director in return for any services actually rendered to the Council.
- (5) Nothing herein shall prevent the payment, in good faith, by the Council:-

- (a) of reimbursement to a Member for out-of-pocket expenses properly incurred by him or her for the Council;
 - (b) of interest on money lent by a Member to the Council at a reasonable and proper rate which must not exceed 2% per annum above the prime rate prescribed for the time being by The Hongkong and Shanghai Banking Corporation Limited for Hong Kong dollar loans;
 - (c) of rent to a Member for premises let by him or her to the Council: Provided that the amount of the rent and the other terms of the lease must be reasonable and proper; and such Member must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion; and
 - (d) of remuneration or other benefit in money or money's worth to a body corporate in which a Member is interested solely by virtue of being a member of that body corporate by holding not more than one-hundredth part of its capital or controlling not more than a one-hundredth part of its votes.
- (6) No person shall be bound to account for any benefit he may receive in respect of any payment properly paid in accordance with sub-clauses (4) and (5) above.

LIABILITY

7. The liability of the Members is limited.

WINDING UP

8. Every Member undertakes to contribute to the assets of the Council in the event of its being wound up while he is a Member, or within one year after he ceased to be a Member, for payment of the debts and liabilities of the Council contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding HK\$10.00.
9. If upon the winding up or dissolution of the Council there remains, after the satisfaction of all its debts and liabilities, any property whatsoever ("the net assets"), the net assets shall not be paid to or distributed among the Members; but shall be given or transferred to some other institution or institutions, having objects similar to the objects of the Council, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the Council under or by virtue of Article 6 above, such institution or institutions to be determined by a resolution of the Members at or before the time of dissolution and in default thereof by a Judge of the High Court of the Hong Kong Special Administrative Region having jurisdiction in regard to charitable funds and, if this provision cannot be effected, then to some charitable object.

NUMBER OF MEMBERS

10. For the purposes of registration, the number of Members of the Council is declared not to exceed ten.
11. The Commission shall be the first Member of the Council.

GENERAL MEETINGS

12. Subject to sections 611, 612 and 613 of the Ordinance, the Council must, in respect of each financial year of the Council, hold a general meeting as its annual general meeting in accordance with section 610 of the Ordinance. The annual general meeting shall be held at such time and place as the Directors shall appoint.
13. All general meetings other than annual general meetings shall be called extraordinary general meetings.
14. The Directors may, whenever they think fit, call a general meeting. If the Board of Directors are required to call a general meeting under section 566 of the Ordinance, they must call it in accordance with section 567 of the Ordinance. If they do not call a general meeting in accordance with section 567 of the Ordinance, the members of the Council who requested the meeting, or any of them representing more than one half of the total voting rights of all of them, may themselves call a general meeting in accordance with section 568 of the Ordinance.

NOTICE OF GENERAL MEETINGS

15. An annual general meeting and a meeting called for the passing of a special resolution shall be called by 21 days' notice in writing at the least, and a meeting of the Council other than an annual general meeting or a meeting for the passing of a special resolution shall be called by 14 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 manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Council in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Council.

Provided that a meeting of the Council 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 –

- (1) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - (2) 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.
16. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

17. 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 Board of Directors and auditors, the election of the Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.

18. 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 and continues to be present until the conclusion of the meeting; save as otherwise provided, one Member present in person shall be a quorum.
19. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Members may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum.
20. The Members present shall choose one of them to be chairman of the meeting. The Chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as previously stated it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
21. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded:
 - (1) by the chairman of the meeting; or
 - (2) by at least two Members present in person or by proxy; or
 - (3) by any Member or Members present in person or by proxy representing at least 5% of the total voting rights of all the Members having the right to vote at the meeting.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Council 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.

The demand for a poll may be withdrawn.

22. Except as provided in Article 24, if a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
23. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
24. A poll demanded on the election of a chairman of the meeting, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

VOTE OF MEMBERS

25. Every Member shall have 1 vote.
26. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or others person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, in a poll, vote by proxy.
27. No Member shall be entitled to vote at any general meeting unless all moneys payable by him to the Council in his capacity as Member, and which have been outstanding for more than 1 month after they fell due for payment, have been paid.
28. On a poll votes may be given either personally or by proxy.
29. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorized. A proxy need not be a Member.
30. The instrument appointing a proxy and the power of attorney or other authority, if any, under which the instrument is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Council or at such other place within Hong Kong as it is specified for that purpose in the notice convening the meeting, 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, 24 hours before the time appointed for the taking of the poll, and in default the instrument or proxy shall not be treated as valid.
31. An instrument appointing a proxy shall be in any usual form or in any form which the Board of Directors may approve.
32. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
33. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Council at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

DIRECTORS

34. The Board of Directors shall have not more than twelve and not less than two Directors who shall be appointed by the Commission in accordance with Article 47.
35. The Chairman of the Board of Directors will be assumed by a non-executive director of the Commission.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

36. The business of the Council shall be managed by the Board of Directors, who may pay all expenses incurred in promoting and registering the Council, and may exercise all such powers of the Council as are not, by the Ordinance or by these Articles, required to be exercised by the

Council in general meeting, subject nevertheless to the provisions of the Ordinance or these Articles and to such regulations, being not inconsistent with these provisions, as may be prescribed by the Council in general meeting; but no regulation made by the Council in general meeting shall invalidate any prior act of the Board of Directors which would have been valid if that regulation had not been made.

37. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Council, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in accordance with procedures approved by the Board of Directors.
38. All assets and income of the Council should be used for needs of the Council and promoting charitable purposes, but cannot be distributed to members.
39. The term of office of the Directors is three years. Directors who retire from office are eligible for re-election provided that no Director, with the exception of the ex-officio Directors specified in Article 40, shall remain in the same position for over six years.
40. The ex-officio Directors specified in this Article 40 are: (i) the General Manager of the Council, and (ii) any executive employee of the Commission who has been appointed as a Director.
41. All Directors will not be given any remuneration except for the reimbursement of approved expenses incurred for the work of the Council. With the exception of the General Manager of the Council, paid employees of the Council cannot become a Director.
42. The Board of Directors shall cause minutes to be made in books provided for the purpose-
 - (1) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
 - (2) of all resolutions and proceedings at all meetings of the Council, and of the Directors, and of committees of the Directors,

and every Director present at any meeting of Directors or committee of Directors shall sign his name in a book to be kept for that purpose.

43. A Director who is in any way, whether directly or indirectly materially interested in any transaction, arrangement or contract (being a contract of significance in relation to the operations of the Council) with the Council, shall declare the nature of his interest in manner required by section 536 of the Ordinance.
44. A Director shall not vote in respect of any transaction, arrangement or contract in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted. A reference in this Article to a transaction, arrangement or contract includes a proposed transaction, arrangement or contract. A general notice given to the Board of Directors that a Director is to be regarded as having an interest of the nature and to the extent as specified in the notice, in any transaction, arrangement or contract which may, after the date of the notice be entered into or made by the Council, shall be deemed to be a disclosure that the Director has an interest in any transaction, arrangement or contract of the nature and to the extent so specified.
45. A Director may act by himself or his firm in a professional capacity for the Council (otherwise than as auditor) and he or his firm shall be entitled to remuneration for

professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditors of the Council.

DISQUALIFICATIONS OF DIRECTORS

46. The office of Director shall be vacated if the Director-

- (1) ceases to be a Director by virtue of any provision of the Ordinance or he becomes prohibited by law from being a Director; or
- (2) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (3) is, or may be, suffering from mental disorder; or
- (4) resigns his office by notice in writing to the Council; or
- (5) shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors pass a resolution that his office be vacated; or
- (6) is requested to resign in writing by not less than three quarters of the other Directors; or
- (7) is removed by ordinary resolution of the Council in accordance with the Ordinance.

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

ELECTION OF DIRECTORS

47. The Commission may at any time and from time to time appoint any Directors, either to fill a vacancy or as an additional Director, having regard to, among other relevant matters, the following:

- (1) their experience of financial services including the operation and functioning of the securities and futures industry;
- (2) their knowledge of the benefits, risks and liabilities associated with purchasing financial services including investing in financial products;
- (3) their experience in the legal or accounting professions;
- (4) their experience as a regulator or in education; and
- (5) the need to represent the public interest and the interests of investors,

and remove from office any Director so appointed.

PROCEEDINGS OF DIRECTORS

48. The Board of Directors shall meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit and determine the quorum necessary for the transaction of business. Unless otherwise determined by the Board of Directors, four

Directors shall be a quorum. A Director shall not be entitled to appoint an alternate to attend meetings of the Board of Directors in his place.

49. Meetings of the Board of Directors may be convened on the request of the Chairman or by requisition in writing signed by two Directors stating the objects for which such meetings are to be convened and forwarded to the Secretary. A Director who is absent abroad shall not be entitled to notice of a meeting.
50. Questions arising at a meeting shall be decided by a majority on a show of hands and in the case of an equality of votes, the Chairman shall have a second or casting vote.
51. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the Board of Directors generally.
52. The quorum shall continue to present until the conclusion of the meeting and in the event that a meeting of the Board of Directors has proceeded to business with a quorum but before its conclusion a quorum is no longer present, the meeting shall be adjourned immediately to such other day and time as the Board of Directors shall determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Directors present shall form a quorum.
53. Without prejudice to Article 49, a person entitled to be present at a meeting of the Board of Directors or of a committee of the Directors shall be deemed to be present for all purposes if he is able (directly or by telephonic communication) to speak to and be heard by all those present or deemed to be present simultaneously. A Director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no Director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is. The word **meeting** in these Articles shall be construed accordingly.
54. All bona fide acts of the Board of Directors or any person acting on its authority shall, notwithstanding it be afterwards discovered that there was some defects in the appointment or continuance in office of any such Director or person acting as aforesaid, so that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director as the case may be.
55. A resolution in writing signed by all Directors for the time being shall be as valid and effectual as if it had been passed at a meeting of the Board of Directors duly convened and constituted.

ADVISORY GROUPS

56. There shall be one or more advisory committees or groups to advise the Board of Directors on matters of policy regarding the implementation of its regulatory objectives and any functions that may be delegated to it by the Commission. The members of the advisory groups shall be appointed by the Board of Directors.

SECRETARY

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

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

SEAL

59. The Board of Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Board of Directors and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director.
60. The Council may exercise the powers conferred by the Ordinance with regard to having an official seal for use abroad, and such powers shall be vested in the Board of Directors.

FINANCIAL STATEMENTS

61. The financial year of the Council commences on 1 April in each year. The Council shall, not later than the end of October in each financial year of the Council, submit to the Commission for approval estimates of its income and expenditure for the next financial year.
62. The Board of Directors shall from time to time, in accordance with the applicable statutory requirements, cause to be prepared and to be laid before the Council in general meeting such income and expenditure accounts, balance sheets and reports as are required by the statutes. The financial statements shall give a true and fair view of the state of the Council's affairs as at the end of the financial year and of the results of its operations and cash flows in the financial year. Such financial statements shall be audited in accordance with Article 71.
63. The Board of Directors shall, as soon as reasonably practicable after the end of each financial year of the Council –
- (1) prepare a report on its activities during the financial year; and
 - (2) cause the report referred to in Article 63(1) and the financial statements referred to in Article 62 to be laid before the Council in general meeting, and for the report to be signed by the Chairman and for the financial statements to be signed by the Chairman and any one of the Directors of the Council.
64. The Council shall keep proper books of account and records of its transactions.
65. The books of account and records of its transactions shall be kept at the Office or subject to the applicable statutory requirements, at such other place or places as the Board of Directors thinks fit, and shall always be open to the inspection of Directors and to the Commission and persons approved by the Commission.
66. The Board of Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Council or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Council except as conferred by statute or authorised by the Board of Directors or by the Council in general meeting.
67. The Board of Directors shall from time to time, in accordance with the requirements of the Ordinance, cause to be prepared and to be laid before the Council in general meeting such income and expenditure accounts, balance sheets and reports as are required by the Ordinance.

68. A copy of every balance sheet (including every document required by law to be annexed to it) which is to be laid before the Council in general meeting, together with a copy of the Directors' report and a copy of the auditors' report, shall not less than 21 days before the date of the meeting be sent to every Member of the Council, provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Council is not aware.
69. The Council shall, when required by the Commission, furnish to the Commission such information as it specifies on the principles, practices and policy it is pursuing or adopting, or proposes to pursue or adopt, in furthering any of its objectives or performing any of its functions, and the reasons there for.

AUDIT

70. Auditors of the Council shall be appointed with the Commission's approval and their duties shall be regulated in accordance with the applicable statutory requirements and these Articles.
71. The Council shall, as soon as reasonably practicable after the end of each financial year of the Council, submit to the auditors the financial statements prepared under Article 62 for such statements to be audited.
72. The auditors shall prepare a report on the financial statements submitted to them under Article 71 and send the report to the Council which shall, as soon as reasonably practicable after its receipt, send to the Commission a copy of the report and a copy of the financial statements.
73. The auditors shall include in their report a statement as to whether, in their opinion, the financial statements to which the report relates give a true and fair view of the state of affairs of the Council as at the end of the financial year for which the financial statements are prepared and of the results of its operations and cash flows in the financial year.
74. An auditor has a right of access at all reasonable times to the books, accounts, vouchers, records and documents kept by the Council and is entitled to require from the Directors and officers of the Council such information and explanations as he considers necessary for the performance of his duties as auditor.

NOTICES

75. A notice may be served by the Council upon any member personally, or by sending it through the post to the address of the member appearing in the Register, or by telex, facsimile or electronic mail to a number or address supplied to the Council by the member for that purpose.
76. Where a notice is sent by post, it shall be deemed to have been served on the third day following that on which the letter containing the same is put in the post and in the case of a telex or facsimile transmission and shall be deemed to have been served at the time of despatch. In proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed in accordance with this Article and sent as a prepaid letter that, in the case of a notice sent by telex, the correct answer back was given and in the case of a facsimile transmission that the facsimile number used was that of the member being served with such notice. Notice of every general meeting shall be given to every member an address within Hong Kong for the giving of notices to them.

INDEMNITY

77. Every agent, auditor, secretary and other officer (other than the Director) for the time being of the Council shall be indemnified out of the assets of the Council against any liability incurred by him in relation to the Council in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 358 of the predecessor Ordinance or section 903 or 904 of the Ordinance in which relief is granted to him by the court.

AMENDMENT

78. No addition, alteration or amendment shall be made to or in the regulations contained in these Articles for the time being in force, unless such addition, alteration or amendment has previously been submitted to and approved by the Commission and the Registrar of Companies in writing or is made under a direction given under section 104(2)(b) or 105 of the Ordinance.
79. The Council shall not form a subsidiary or hold a controlling interest in another body corporate, unless the formation of such a subsidiary or the holding of such a controlling interest has previously been approved by the Commission and by the Registrar of Companies in writing.

Name, Address and Description of Founder Member
For and on behalf of Securities and Futures Commission 證券及期貨事務監察委員會 Authorised Signatory:- Ashley Alder Chief Executive Officer 35/F, Cheung Kong Center 2 Queen's Road Central Hong Kong Body Corporate

Dated this 19th day of October, 2012.