

NEW MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
FUNG KAI PUBLIC SCHOOL

〔鳳溪公立學校〕

(As amended by Special Resolution passed on 7th February 1999)

(As re-amended by Special Resolution passed on 24th June 2012)

Incorporated the 2nd day of May, 1961.

ONC Lawyers
15th Floor, The Bank of East Asia Building
10 Des Voeux Road Central, Hong Kong

THE COMPANIES ORDINANCE (CAP.32)

SPECIAL RESOLUTION

OF

FUNG KAI PUBLIC SCHOOL (鳳溪公立學校)

Passed on the 24th day of June 2012

At an Extraordinary General Meeting of Members of Fung Kai Public School (the “**Company**”) held at Fung Kai Innovative School, Jockey Club Road, Sheung Shui, N.T. on 24th day of June 2012 at 10:00 a.m. the following resolutions were duly passed as Special Resolution: -

1. “That the Memorandum and Articles of Association, in the form as annexed hereto, be adopted as the new Memorandum and Articles of Association of the Company in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association of the Company.”
2. “That the Directors of the Company be authorized to submit the Memorandum and Articles of Association, in the form as annexed hereto, to the Companies Registry and the Inland Revenue Department of Hong Kong for their consideration and approval.”

(signed)
Liu Pak Man
Chairman of the Meeting
Director of Fung Kai Public School

THE COMPANIES ORDINANCE CHAPTER 32

SPECIAL RESOLUTION

OF

FUNG KAI PUBLIC SCHOOL

Passed on the 7th day of February 1999

At an Extraordinary General Meeting of Members of Fung Kai Public School held at Fung Kai Kindergarten, Jockey Club Road, Sheung Shui, New Territories on the 7th day of February 1999 at 11:00 a.m. the following resolution was duly passed as Special Resolution:-

(I) Memorandum of Association

“THAT the Clauses of the School’s Memorandum of Association be amended as follows:-

- (1) Amending “hereinafter referred to as the School” as appears in Clause 1 and substituting by “hereinafter referred to as “the School””.
- (2) Deleting “the Colony of Hong Kong” as appears in Clause 2, 3(a) and (j), and substituting by “the Hong Kong Special Administrative Region”.
- (3) Amending “the school” as appears in Clause 3(d) and substituting by “the School”.
- (4) Deleting Clause 4 and substituting therefor by the following:-
 - 4 . (1) The income and property of the School, whencesoever derived, should be applied solely towards the promotion of the objects of the School as set forth in this Memorandum of Association.

- (2) Subject to sub-clauses (4) and (5) below, no portion of the income and property of the School shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever by way of profit, to the members of the School.
- (3) No member of the Council of Management or Governing Body of the School shall be appointed to any salaried office of the School, or any office of the School paid by fees, and that no remuneration or other benefit in money or money's worth (except as provided in sub-clause (5) below) shall be given by the School to any member of the Council of Management or Governing Body.
- (4) Nothing herein shall prevent the payment, in good faith, by the School of reasonable and proper remuneration to any officer or servant of the School, or to any member of the School not being a member of the Council of Management or Governing Body of the School in return for any services actually rendered to the School.
- (5) Nothing herein shall prevent the payment, in good faith, by the School:
 - (a) to any member of the School or of its Council of Management or Governing Body of out-of-pocket expenses;
 - (b) of interest on money lent by any member of the School or of its Council of Management or Governing Body at a rate per year not exceeding 2% above the prime rate prescribed for the time being by the Hong Kong and Shanghai Banking Corporation Limited for Hong Kong dollar loans;
 - (c) of reasonable and proper rent for premises demised or let by any member of the School or of its Council of Management or Governing Body; and
 - (d) of remuneration or other benefit in money or money's worth to a body corporate in which a member of the School or of its Council of Management or Governing Body is interested solely by virtue of being a member of that body corporate by holding not more than one-hundredth part of its capital or controlling not more than 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.

- (5) Deleting Clause 5 and substituting therefor by the following:-
 5. No addition, alteration or amendment shall be made to or in the Memorandum and Articles of the School for the time being in force, unless the same shall have been previously submitted to and approved by the Registrar of Companies in writing.
- (6) Deleting “the Supreme Court of Hong Kong” as appears in Clause 9 and substituting by “the High Court of Hong Kong Special Administrative Region”.

(II) Articles of Association

“THAT the Articles of Association of the School be amended as follows:-

- (1) Deleting “the Colony of Hong Kong” as appears in Articles 1, 37 and substituting by “the Hong Kong Special Administrative Region”.
- (2) Amending “ the Subsection (2) of Section 116” and “seven clear days’ as appear in Article 38 and substituting by “the Subsection (1) of Section 116” and “twenty-one clear days”
- (3) That the Article 47 be amended by adding the following sub-clause (iv) immediately after the existing sub-clause(iii):-
 - (iv) A member of a management committee may be but need not necessarily be a Director.
- (4) Deleting the duplicate Article 48.
- (5) Deleting “the Colony of Hong Kong” as appears in Articles 52, 53 and 54 and substituting by “the Hong Kong Special Administrative Region”.

(signed)
Liu Kui Chung
Chairman of the Meeting

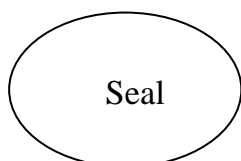
The Companies Ordinance, Chapter 32, Section 21.
LICENCE TO DISPENSE WITH THE WORD "LIMITED"

WHEREAS His Excellency the Governor of Hong Kong has in exercise of the power conferred on him by Section 26 of the Interpretation Ordinance (Chapter 1) been pleased to depute the person for the time being holding the office of Registrar of Companies to exercise and perform on his behalf the duties, discretions and powers vested in him by Section 21 of the Companies Ordinance, Chapter 32.

AND WHEREAS it has been proved to my satisfaction that FUNG KAI PUBLIC SCHOOL (鳳溪公立學校), which is about to be registered under the said Companies Ordinance as a Company limited by guarantee, is formed for the purpose of promoting objects of the nature contemplated by Section 21 of the Companies Ordinance and that it is the intention of the said School that the income and property of the School whencesoever derived, shall be applied solely towards the promotion of the objects of the School, as set forth in the Memorandum of Association of the said School, and that no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend or bonus, or otherwise howsoever by way of profit, to the persons who are members of the said School.

NOW THEREFORE I, WILLIAM KIRK THOMSON, Registrar of Companies of the Colony of Hong Kong, in exercise of the said discretions and powers delegated to me as aforesaid, and in consideration of the provisions and subject to the conditions contained in the Memorandum of Association of the said School, as subscribed by Eleven Members thereof on the 24th day of April 1961, do on behalf of His Excellency the Governor by this my Licence direct FUNG KAI PUBLIC SCHOOL (鳳溪公立學校) to be registered with limited liability, without the addition of the word "Limited" to its name.

GIVEN under my hand and seal of Office at Victoria in the Colony of Hong Kong this 2nd day of May, One thousand nine hundred and sixty-one.



(Sd.) W.K. THOMSON
Registrar of Companies

[COPY]

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that
FUNG KAI PUBLIC SCHOOL
(鳳溪公立學校)

is this day incorporated in Hong Kong under the Companies Ordinance (Chapter 32 of the Revised Edition, 1950, of the Laws of Hong Kong), and that this Company is limited.

GIVEN under my hand and seal of office this Second day of May, One Thousand Nine Hundred and Sixty-one.

L.S.

(Sd.) W.K. THOMSON
Registrar of Companies,
Hong Kong

THE COMPANIES ORDINANCE (Chapter 32)

Company Limited by Guarantee and
not having any Share Capital

NEW MEMORANDUM OF ASSOCIATION
OF

FUNG KAI PUBLIC SCHOOL

(鳳溪公立學校)

(As amended by Special Resolution passed on 7th February 1999)

(As re-amended by Special Resolution passed on 24th June 2012)

1. The name of the company is **“FUNG KAI PUBLIC SCHOOL”** (鳳溪公立學校) (hereinafter referred to as “Fung Kai”).
2. The Registered Office of Fung Kai will be situate in the Hong Kong Special Administrative Region.
3. The objects for which Fung Kai is established are:-
 - (a) To acquire and take over the whole of the assets and liabilities in the Hong Kong Special Administrative Region of the unincorporated institution known as Fung Kai Public School (鳳溪公立學校) situate at Sheung Shui Village, New Territories in the Hong Kong Special Administrative Region and to maintain and conduct the same in succession to and in continuance of the said Fung Kai Public School as an institution of a purely and exclusively charitable character for the purpose of the promotion of general education.
 - (b) To establish and carry on non-profit-making school or schools where students may obtain free of charge or on moderate terms a sound and general education, and to provide for the delivery and holding of lectures, exhibitions, meetings and classes.
 - (c) Subject to the proviso contained in sub-clause (d) hereof, to carry out, establish, construct, maintain, improve, manage and superintend, or to assist in the carrying out, establishment, construction, maintenance,

improvement, management, or superintendence of clinics, hospitals, elderly homes and other charitable or benevolent projects.

- (d) To establish, undertake, superintend, administer, and contribute to any benevolent fund from whence may be made donations or advances to deserving persons who may be engaged in educational and religious pursuits, and to contribute to or otherwise assist any educational, charitable and benevolent institutions or undertakings. Provided that Fung Kai shall not support with its funds any institution or undertaking which pays or transfers, directly or indirectly, any part of its income or property by way of dividend, bonus, or otherwise howsoever by way of profit to its members.
- (e) To admit any persons to be members of Fung Kai on such terms, and to confer on them such rights and privileges as may seem expedient.
- (f) To purchase, take on lease or in exchange, hire or otherwise acquire any real and personal estate which may be deemed necessary or convenient for any of the purposes of Fung Kai, provided that Fung Kai shall not hold land otherwise than in accordance with the Charities (Land Acquisition) Ordinance or any Ordinance amending the same or substituted therefor, for the time being in force. To construct, maintain, and alter any houses, buildings, or works necessary or convenient for the purposes of Fung Kai.
- (g) To grant, sell, convey, assign, surrender, exchange, partition, yield up, mortgage, demise, reassign, transfer or otherwise dispose of any lands, buildings, messuages, tenements, mortgages, debentures, funds, shares, or securities which are for the time being vested in or belonging to Fung Kai upon such terms as Fung Kai may deem fit.
- (h) To borrow any moneys required for the purposes of Fung Kai upon such terms and on such securities as may be determined.
- (i) To invest the moneys of Fung Kai not immediately required upon such securities or otherwise in such manner as may from time to time be determined.
- (j) To refrain from all and any commercial business and speculation and from interfering in politics and from having any connection with any

political body or party in the Hong Kong Special Administrative Region or China.

- (k) To organise and arrange lectures, exhibitions, classes, debates and meetings calculated directly or indirectly to advance the cause of education and charity.
- (l) To print, publish, distribute and sell books and periodicals for the furtherance of education and charity.
- (m) To accept subscription, donations, devices and bequests of any movable or immovable property or funds for all or any of the purpose aforesaid.
- (n) To do all such other lawful things as are incidental or conducive to the attainment of the above objects.

Provided that:-

- (1) In case Fung Kai shall take or hold any property which may be subject to any trusts, Fung Kai shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
 - (2) The objects of Fung Kai shall not extend to the regulation of relations between workers and employers or organisations of workers and organisation of employers.
 - (3) Save and except the powers set out in clauses 3(a) to (m) above, the powers set forth in the Seventh Schedule of the Companies Ordinance, Chapter 32 are hereby excluded and the same shall not apply to Fung Kai.
4. (1) The income and property of Fung Kai, whencesoever derived, should be applied solely towards the promotion of the objects of Fung Kai as set forth in this Memorandum of Association.
- (2) Subject to sub-clauses (4) and (5) below, no portion of the income and property of Fung Kai shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever by way of profit, to the members of Fung Kai.

- (3) No member of the Council of Management or Governing Body of Fung Kai shall be appointed to any salaried office of Fung Kai, or any office of Fung Kai paid by fees, and that no remuneration or other benefit in money or money's worth (except as provided in sub-clause (5) below) shall be given by Fung Kai to any member of the Council of Management or Governing body.
 - (4) Nothing herein shall prevent the payment, in good faith, by Fung Kai of reasonable and proper remuneration to any officer or servant of Fung Kai, or to any member of Fung Kai not being a member of the Council of Management or Governing Body of Fung Kai in return for any services actually rendered to Fung Kai.
 - (5) Nothing herein shall prevent the payment, in good faith, by Fung Kai:
 - (a) to any member of Fung Kai or of its Council of Management or Governing Body of out-of-pocket expenses;
 - (b) of interest on money lent by any member of Fung Kai or of its Council of Management or Governing Body at a rate per year not exceeding 2% above the prime rate prescribed for the time being by the Hong Kong and Shanghai Banking Corporation Limited for Hong Kong dollar loans;
 - (c) of reasonable and proper rent for premises demised or let by any member of Fung Kai or of its Council of Management or Governing Body; and
 - (d) of remuneration or other benefit in money or money's worth to a body corporate in which a member of Fung Kai or of its Council of Management or Governing Body is interested solely by virtue of being a member of that body corporate by holding not more than one-hundredth part of its capital or controlling not more than 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.
5. No addition, alteration or amendment shall be made to or in the Memorandum and Articles of Association of Fung Kai for the time being in force, unless the same shall have been previously submitted to and approved by the Registrar of Companies in writing.
6. Clauses 4 and 5 of this Memorandum contain conditions on which a licence is granted in pursuance of Section 21 of the Companies Ordinance, Chapter 32.

7. Fung Kai shall not form any 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 Registrar of Companies in writing.
8. The liability of the members is limited.
9. Every member of Fung Kai undertakes to contribute to the assets of Fung Kai in the event of same being wound up during the time that he or she is a member or within one year afterwards for payment of the debts and liabilities of Fung Kai contracted before the time at which he or she ceased to be a member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding the sum of twenty Hong Kong dollars.
10. If upon the winding up of Fung Kai there remains after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the members of Fung Kai, but shall be given or transferred to some other institution or institutions, having objects similar to the objects of Fung Kai, 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 Fung Kai under or by virtue of clause 4 hereof, such institution or institutions to be determined by the members of Fung Kai before the time of dissolution, or in default thereof by such judge of the High Court of the Hong Kong Special Administrative Region as may have or acquire jurisdiction in the matter and if and so far as effect cannot be given to the aforesaid provision then to some charitable bodies.
11. True account shall be kept of the sums of money received and expended by Fung Kai and the matters in respect of which such receipt and expenditure take place, and of the property, credits and liabilities of Fung Kai, and subject to any reasonable restrictions as to the time and manner of inspecting the same which may be imposed in accordance with the regulations of Fung Kai for the time being, shall be open to the inspection of the members. Once at least in every year the accounts of Fung Kai shall be examined and the correctness of the Balance Sheet ascertained by one or more authorized 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.

Names, Addresses and Descriptions of Subscribers

- 廖桂全 (LIU Kwei Chuen),
Sheung Shui Village, N.T., Kowloon,
Teacher
- 廖紹賢 (LIU Shiu Yin).
T 10B, Sheung Shui Village, N.T., Kowloon,
Pensioner
- 廖漢彥 (LIU Hon Yin).
Shek Wu Hui, N.T., Kowloon,
Proprietor of Po Wo Tong,
Chinese Drugs Store.
- 廖壽松 (LIU Sau Chung).
Shek Wu Hui, N.T., Kowloon,
Manager of Wing Hang Garage.
- 廖文作 (LIU Man Chok).
Sheung Shui, N. T., Kowloon,
Clerk to Sheung Shui Village Council.
- 廖翁和 (LIU Yup Wo).
Sheung Shui Village, N. T., Kowloon,
Manager of Shum Kee Transportation.
- 廖吉瑞 (LIU Kit Shui).
Shek Wu Hui, N.T., Kowloon,
Manager of Shing Hing Tai Goldsmith.
- 廖炳壽 (LIU Sau).
Shek Wu Hui, N.T., Kowloon,
Manager of Lui Sau Garage.
- 廖柱培 (LIU Chu Pui),
Shek Wu Hui, N.T., Kowloon,
Proprietor of Pui Lee Butchery.
- 廖潤琛 (LIU Yun Shum).
Shek Wu Hui, N.T., Kowloon,
Assistant Manager, Far East Bank Ltd.,
Sheung Shui Branch, N.T.
- 廖新業 (LIU Sun Yip).
Sheung Shui Village, N. T., Kowloon,
1st Class Clerk, Hong Kong Government,
Sheung Shui, N.T., Kowloon.

Dated the 24th day of April 1961.

WITNESS to the above signatures:

(Sd.) WOO PO SHING,
Solicitor,
HONG KONG.

THE COMPANIES ORDINANCE (Chapter 32)

Company Limited by Guarantee and
not having any Share Capital

NEW ARTICLES OF ASSOCIATION
OF
FUNG KAI PUBLIC SHOOL
(鳳溪公立學校)

(As amended by Special Resolution passed on 7th February 1999)

(As re-amended by Special Resolution passed on 24th June 2012)

Preliminary

1. In the interpretation of these Articles unless there is something in the subject inconsistent therewith, the following words and expressions shall have the following meanings:-

“Fung Kai” means FUNG KAI PUBLIC SHOOL (鳳溪公立學校).

“Board of Directors” means the Board of Directors of Fung Kai for the time being.

“The Directors” means the persons for the time being performing the duties of the Directors of Fung Kai.

“The Chairman” and “Vice-Chairman” means the Chairman and Vice-Chairman of the Board of Directors.

“The Ordinance” means the Companies Ordinance (Chapter 32) of the legislation of the Hong Kong Special Administrative Region.

Words importing the masculine gender also include the feminine gender.

Objects

2. Fung Kai is established for the objects set out in the Memorandum of Association.

Members

3. The number of members which Fung Kai proposes to be registered is 100 but the Directors may from time to time register an increase of members.
4. The subscribers to the Memorandum of Association and such other persons as the Board of Directors shall admit to membership shall be the members of Fung Kai.
5. When any person desires to be admitted to membership of Fung Kai he must sign and deliver to Fung Kai an application for admission framed in such form as the Board of Directors shall require.
6. No person shall be admitted a member of Fung Kai unless he is first approved by the Board of Directors and the Board of Directors shall have full discretion as to the admission of any person to membership.
7. The rights and privileges of each and every member shall be personal and shall not be transferable by his own act or by operation of law.
8. Any member may withdraw from Fung Kai by giving one month's notice in writing to the Secretary of Fung Kai of his intention so to do, and upon the expiration of the notice and after payment of any outstanding dues and liabilities due from such member to Fung Kai, he shall cease to be a member.
9. Every member shall be bound to further to the best of his ability the objects and influence of Fung Kai, and shall observe all regulations and bye-laws of Fung Kai made pursuant to the powers in that behalf hereinafter contained.

Expulsion

10. If it is brought to the notice of the Board of Directors that any member has failed to observe any regulations and bye-laws of Fung Kai or the conduct of any members has been dishonourable or improper or otherwise injurious to the

character and interests of Fung Kai, the Board of Directors may by resolution without assigning any reason therefor, expel such member from Fung Kai and he shall then forfeit his interest and privileges in Fung Kai. Provided that the member whose expulsion is contemplated shall be given an opportunity of being heard or to make representations in writing in his own defence before the resolution for his expulsion is put to a vote.

Directors

11. No salary remuneration or allowance shall be paid to the Chairman, Vice-Chairman, Secretary, Heads and Deputy Heads of Departments or other honorary officers or to the members of the Board of Directors but such officers shall be reimbursed the out-of-pocket expenses that may be incurred by them in connection with any service rendered to Fung Kai. Employees and service providers of Fung Kai shall be paid such remuneration as the Board of Directors shall from time to time determine.
12. The Board of Directors shall consist of not less than five and not more than fifteen Directors.
13. The Board of Directors shall elect from amongst themselves a Chairman, a Vice-Chairman, a Secretary, a Head and a Deputy Head in respect of each of the following departments namely the Finance Department, the Charity Department, the Education Department, the Social Activities Department, and the Property Department. The Chairman, the Vice-Chairman, the Secretary as well as the Head and the Deputy Head of each of the said Departments and all honorary officers of Fung Kai shall hold office for a term of two years and shall be eligible for re-election.
14. Every Director shall hold office for a term of two years and shall retire from office but shall be eligible for re-election at the next following annual general meeting.
15. The Board of Directors shall have the power at any time to appoint a member to fill any vacancy on the Board and such member so appointed shall be subject to retirement at the time at which the Director in whose place he is so appointed would have been subject to retirement had he remained in office.

16. The Board of Directors may act notwithstanding any vacancy in their body.
17. At any general meeting the retiring Directors shall recommend the names of twenty five members as candidates for Directorship to the members present for their election. The members present shall elect amongst the names recommended by the Directors not more than fifteen persons to be the Directors. No person, not being a retiring Director, shall, unless recommended by the Directors for election be eligible for election, to the office of Director at any general meeting.
18. The Board of Directors shall cause to be kept at the Registered Office a register containing the names and addresses and occupation of the Directors, and send to the Registrar of Companies a copy thereof and from time to time notify the Registrar of Companies of any change in the Board of Directors.
19. The first Directors of Fung Kai shall be the following persons:-

LIU Yun Shum	(廖潤琛)
LIU Shiu Yin	(廖紹賢)
LIU Sun Yip	(廖新業)
LIU Man Chok	(廖文作)
LIU Kit Shui	(廖吉瑞)
LIU Sau	(廖壽)
LIU Kwei Chuen	(廖桂全)
LIU Sau Chung	(廖壽松)
LIU Chu Pui	(廖柱培)
LIU Hon Yin	(廖漢彥)
LIU Yup Wo	(廖翕和)

Interests of Directors

20. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with Fung Kai shall declare the nature of his interest in accordance with the provisions of the Ordinance. A general notice given to the Board of Directors by a Director to the effect that he is a member or a director of a specified company or firm, and is to be regarded as interested in any contract, arrangement or dealing which may, after the date of the notice, be

entered into or made with that company or firm, shall, for the purpose of this Article, be deemed to be a sufficient disclosure of interest in relation to any contract, arrangement or dealing so entered into or made. Without prejudice to the generality of the foregoing, a Director shall give notice to Fung Kai of such matters relating to himself as may be necessary under the Ordinance.

21. A Director shall not be entitled to vote as a Director in respect of any contract or arrangement in which he is interested or any matter arising therefrom, and if he shall so vote his vote shall not be counted, and he shall not be taken into account in determining the quorum for the meeting at which any such contract or arrangement is to be considered.

Proceedings of Directors

22. The Chairman or in his absence a Vice-Chairman shall take the chair at all meetings of the Board of Directors and if at any meetings the Chairman and the Vice-Chairman be not present within twenty minutes after the time appointed for holding the same, the Directors present shall choose one of their members to be the Chairman of the meeting. The Board of Directors may meet together for the despatch of business as they think fit.
23. Not less than one half of the members of the Board shall be a quorum, but should there be no more than five members of the Board then a quorum shall be not less than three of such members.
24. The Chairman or the Vice-Chairman or any two members of the Board of Directors may at any time summon a meeting of the Board of Directors.
25. Questions at any meeting of the Board of Directors shall be decided by a show of hands and in case of any equality of votes the Chairman of the meeting shall have a second or casting vote.
26. A resolution in writing and signed by all the members of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board of Directors duly called and constituted.
27. All acts done by any meeting of the Board of Directors or of a Committee of Directors or by any person acting as a member of the Board of Directors, shall notwithstanding that it be afterwards discovered that there was any defects in the appointment of any such Directors 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 Director.

Power of The Board of Directors

28. The Board of Directors may at all times in addition to the powers and authorities of these Articles expressly conferred upon it exercise all such powers, give all such consent, make all such arrangements and generally do all such acts and things as may be exercised, given, made or done by Fung Kai and are not expressly required to be exercised, given, made or done by Fung Kai in General Meeting, subject nevertheless at all times to the Companies Ordinance and to these Articles, and to such regulations (if any) as shall from time to time be prescribed by Fung Kai in General Meeting, but no regulation made by Fung Kai in General Meeting shall invalidate any prior act of the Board of Directors which would have been valid if no such regulation had been made.
29. The Board of Directors shall manage the assets of Fung Kai with prudence and except in special circumstances, observe the principle of keeping the expenditure within the limits of revenues. Without prejudice to the general powers contained in the preceding Article, the Board of Directors shall have power:-
- (a) To pay all the costs and expenses of and incidental to the promotion, formation, registration and establishment of Fung Kai.
 - (b) To acquire by purchase or otherwise, any property, rights or privileges, capable of being validly acquired by Fung Kai and to settle the consideration terms and conditions.
 - (c) To bring and prosecute, and to defend any legal or other proceedings, to compromise, settle, abandon, or refer to arbitration or mediation, any such proceedings, or any claim by or against Fung Kai and to extend time for any debtor of Fung Kai to repay its loan owed to .
 - (d) To invest or otherwise deal with the moneys of Fung Kai not immediately required upon such securities and in such manner as they may think fit, and from time to time to vary or realise such investments.
 - (e) To establish an executive office for Fung Kai, and to appoint and at their discretion remove or suspend such chief executive, as well as the clerks, servants and other employees thereunder, for permanent, temporary or special services as they may from time to time think fit, and to determine their employment contracts, powers and duties and fix their salaries or emoluments.
 - (f) To delegate, subject to such conditions as they shall think fit, any of

their powers to a committee consisting of such member or members of the Board of Directors and of other person or persons as they shall think fit, and to make such regulations as to the proceedings of such Committee as may seem expedient.

- (g) From time to time to make, vary and repeal bye-laws for the regulation of the affairs of Fung Kai in officers and servants.
- (h) To make, fulfill, rescind, modify, or vary and contract, and to do all such acts and things as they may think expedient for the purpose of Fung Kai.
- (i) To pay all costs, charges and expenses of and incidental to the carrying out of the objects for which Fung Kai is established.

Seal and Authentication of Deeds and Documents

- 30. Fung Kai shall have a Common Seal, and the Board of Directors shall provide for the safe custody thereof, which shall not be affixed to any instrument except by the authority of the Board of Directors and in presence of the following persons namely the Chairman, the Vice-Chairman and the Head of the Finance Department who shall sign every instrument to which the seal of Fung Kai is so affixed in their presence. In case the Head of the Finance Department is absent and unable to perform his duty, the Deputy Head of the Finance Department shall witness and sign on his behalf.
- 31. All cheques, drafts or orders for the payment of money shall be signed by the Chairman and the Head of the Finance Department and in the absence of the Chairman by the Vice-Chairman and the Head of the Finance Department. In case the Head of the Finance Department is absent and unable to perform his duty, the Deputy Head of the Finance Department shall sign on his behalf.
- 32. The funds of Fung Kai shall not be used for any purpose other than those specified in the Memorandum of Association.

Accounts and Audit

- 33. The Board of Directors shall cause true accounts to be kept of the moneys received and expended by Fung Kai and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of Fung Kai.
- 34. Once at least in every year the accounts of Fung Kai shall be examined, and the

correctness of the accounts and balance sheet ascertained by one or more authorized auditor or auditors.

35. Every account of Fung Kai, when audited and approved by a general meeting, shall be conclusive, except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected, and thenceforth shall be conclusive.
36. The Books of Account shall be kept at the registered office of Fung Kai or at such other place as the Board of Directors think fit, and shall always be open to the inspection of the Directors.
37. The Directors shall from time to time determine at what times and places and under what conditions or regulations the accounts and books of Fung Kai 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 Fung Kai except as conferred by statute or by the Memorandum of Association or authorized by the Directors or by Fung Kai in general meeting.

General Meetings

38. A general meeting shall be held once in every calendar year at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be prescribed by Fung Kai in general meeting, or, in default, at such time in the third month following that in which the anniversary of Fung Kai's incorporation occurs, and at such place as the Directors shall appoint. In default of a general meeting being so held, a general meeting shall be held in the month next following, and may be convened by any two members in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.
39. The Board of Directors may, whenever they think fit, convene an Extra-ordinary General Meeting, and if at any time there are not within the Hong Kong Special Administrative Region sufficient Directors capable of forming a quorum, any one of the Directors may convene an Extra-ordinary General Meeting in the same manner as nearly as possible as that in which Meetings may be convened

by the Board of Directors.

40. Subject to the provisions of the Subsection (1) of Section 116 of the Ordinance relating to special resolutions twenty-one clear days notice at least specifying the place, the day and the hour of meeting and, in case of special business, the general nature of that business shall be given in manner hereafter mentioned or in such other manner if any as may be prescribed by Fung Kai in General Meeting, to such persons as are, under these Articles, entitled to notice; but the accidental omission to give the notice to, or the non-receipt of the notice by any member, shall not invalidate the proceedings at any General Meeting.
41. The business of any Ordinary General Meeting shall be to receive and consider the accounts, the balance sheet, and the report of the Board of Directors and of the auditors to elect Directors and Auditors in the place of those retiring and to fix the remuneration of the auditors but all other business transacted at any Ordinary General Meeting and all business transacted at any Extra-ordinary General Meeting shall be deemed special.

Proceedings at General Meetings

42. Not less than thirty of the members of Fung Kai for the time being personally present shall be a quorum. No business shall be transacted at a General Meeting unless the quorum requisite be present at the commencement of the business.
43. The Chairman of the Board of Directors or in his absence the Vice-Chairman shall take the chair at every General Meeting. If there be no Chairman or Vice-Chairman present or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, the members present shall choose one of the members of the Board of Directors as the Chairman.
44. 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, 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.

45. At an adjourned meeting the members present, whatever their number may be, may determine the business which ought to have been determined by the meeting from which the adjournment took place.
46. The Chairman of any General Meeting may with the consent of the meeting, adjourn any meeting from time to time, and from place to place. Provided that every adjourned meeting shall be held within seven days after the day whereon the meeting, from which the adjournment took place, was held.
47. Every question to be determined in General Meeting shall be determined by a majority of votes, each member having one vote, and the Chairman having in addition to his own vote a second or casting vote.
48. A declaration by the Chairman that a resolution has been carried or lost shall be conclusive, and an entry to that effect in the proper Minute Book of Fung Kai shall be sufficient evidence of that fact.

Management Committee

49. (i) The Directors shall nominate members for the management committee of each school established or carried on by Fung Kai. Members may be appointed either for a fixed term or without limitation as to the period for which each of them is to hold office, and such nominees shall make application to the Permanent Secretary for Education for registration as managers under the provisions of the Education Ordinance.
- (ii) The Directors may remove or dismiss a member of a management committee appointed under Article 49(i) from office and any member so removed or dismissed and any member whose term of office has expired and has not been renewed or extended by the Directors shall forthwith tender his resignation in writing to the Permanent Secretary for Education as a registered manager under the Education Ordinance.
- (iii) The Directors shall nominate another member to replace a member of a management committee who has been removed or dismissed or whose term of office has expired and such nominee shall make application to the Permanent Secretary for Education for registration as a manager under the provisions of the Education Ordinance.

(iv) A member of a management committee may be but need not necessarily be a Director.

50. It shall be the special responsibility of a school management committee to conduct the school in accordance with the Education Ordinance and in all respects to the satisfaction of the Permanent Secretary for Education.

51. The funds and accounts of the school and all moneys received shall be managed and kept by the managers who shall out of such moneys punctually pay (a) all salaries and wages of the headmaster or principal and teachers clerks and servants of the school (b) other demands payments and outgoings of all kinds properly incurred by the managers in respect of the school which the managers may be or become liable to pay in respect of the school and (c) all moneys lent to or borrowed by the school for the establishment and building of the school.

Supervisors

52. (i) The Directors shall with the agreement of the majority of the members of a school management committee nominate a member of the school management committee to be the supervisor of the school either for a fixed term or without any limitation as to the period for which he is to hold such office and thereupon the school management committee shall recommend such person to the Permanent Secretary for Education for his approval in accordance with the Education Ordinance.

(ii) The Directors may remove or dismiss a supervisor from office and any supervisor so removed or dismissed or whose term of office has expired and has not been renewed or extended by the Directors shall tender forthwith his resignation in writing to the Permanent Secretary for Education as an approved supervisor under the Education Ordinance.

(iii) The Directors with the agreement of the majority of the members of a school management committee shall nominate another supervisor to replace one who has been removed or dismissed or whose term of office has expired and thereupon the school management committee shall recommend such person to the Permanent Secretary for Education for his approval in accordance with the Education Ordinance.

Minutes

53. The Director shall cause minutes to be duly entered in the books provided for that purpose:-
- (a) Of all appointments of officers.
 - (b) Of the names of the Directors present at each Meeting of the Board of Directors.
 - (c) Of all resolutions and proceedings of General Meetings of Fung Kai and of Meetings of the Board of Directors.

Notices

54. A notice may be served by Fung Kai on any member either personally or by sending it by post to such member in a prepaid cover to him at his registered address in the Hong Kong Special Administrative Region.
55. Any member, who has no registered address in the Hong Kong Special Administrative Region, may notify in writing to Fung Kai an address within the said Region to which notice may be sent, and the address so notified shall for the purpose of service of notices be deemed to be that member's registered address.
56. Any notice may be served on any member who has no registered address within the Hong Kong Special Administrative Region, and who has not notified an address under the preceding Article, by exhibiting the same in Fung Kai's Registered Office for twenty-four hours at the expiration of which period it shall be deemed to have been served upon him.
57. Where a notice is sent by post it shall be deemed to have been served on the day following that on which the cover containing it was posted, and service thereof shall for all purpose be sufficiently proved by proof that the cover containing the same was properly addressed, prepaid and posted.

Winding-Up

58. The provision of Clause 10 of the Memorandum of Fung Kai relating to the winding up or dissolution of Fung Kai shall have effect and be observed as if the same were repeated in these Articles.

Name, Addresses and Description of Subscribers

- 廖桂全 (LIU Kwei Chuen)
Sheung Shui Village, N.T., Kowloon.
Teacher
- 廖紹賢 (LIU Shin Yin).
T 10B, Sheung Shui village, N.T., Kowloon.
Pensioner
- 廖漢彥 (LIU Hon Yin)
Shek Wu Hui, N.T., Kowloon
Proprietor of Po Wo Tong.
Chinese Drugs Store.
- 廖壽松 (LIU Sau Chung),
Shek Wu Hui, N.T., Kowloon,
Manager of Wing Hang Garage
- 廖文作 (LIU Man Chok),
Sheung Shui, N.T., Kowloon,
Clerk to Sheung Shui Village Council.
- 廖翁和 (LIU Yup Wo).
Sheung Shui Village, N.T., Kowloon,
Manager of Shum Kee Transportation.
- 廖吉瑞 (LIU Kit Shui),
Shek Wu Hui, N.T., Kowloon.
Manager of Sing Hing Tai Coldsmith
- 廖炳壽 (LIU Sau)
Shek Wu Hui, N.T., Kowloon,
Manager of Lui Sau Garage.
- 廖柱培 (LIU Chu Pui).
Shek Wu Hui, N.T., Kowloon,
Proprietor of Pui Lee Butchery,
- 廖潤琛 (LIU Yun Shum).
Shek Wu Hui, N.T., Kowloon,
Assistant Manager,
Far East Bank Ltd.,
Sheung Shui Branch, N.T.
- 廖新業 (LIU Sun Yip),
Sheung Shui Village, N.T., Kowloon,
1st Class Clerk, Hong Kong Government,
Sheung Shui, N.T., Kowloon.

Dated the 24th day of April, 1961.
WITNESS to the above signatures:

(Sd.) WOO PO SHING,
Solicitor,
Hong Kong