

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

TRAVEL INDUSTRY COUNCIL OF HONG KONG
(香港旅遊業議會)

Incorporated the 30th day of July, 1988.

Reprinted in November, 2013

THE COMPANIES ORDINANCE (CHAPTER 32)

SECTION 21

**SPECIAL RESOLUTION
OF
TRAVEL INDUSTRY COUNCIL OF HONG KONG**

Passed on the 19th day of November, 2013

At the 26th Annual General Meeting of the Members of the Travel Industry Council of Hong Kong duly convened and held at the Grand Ballroom of the Crowne Plaza Hong Kong Kowloon East, 3 Tong Tak Street, Tseung Kwan O, Kowloon, Hong Kong on the 19th day of November, 2013 at 2:30 pm, the resolution that the Memorandum and Articles of Association of the Travel Industry Council of Hong Kong be amended as stipulated under Appendix I was duly passed as a Special Resolution.

Dated the 19th day of November, 2013

(Sd.) Michael WU
Chairman

Registration Number: 222801

THE COMPANIES ORDINANCE (CHAPTER 32)

SECTION 21

**SPECIAL RESOLUTION
OF
TRAVEL INDUSTRY COUNCIL OF HONG KONG**

Passed on the 20th day of November, 2007

At the 20th Annual General Meeting of the Members of the Travel Industry Council of Hong Kong duly convened and held at the Ballroom of the InterContinental Hong Kong, 18 Salisbury Road, Kowloon, Hong Kong on the 20th day of November, 2007 at 11:00 am, the resolution that the Memorandum and Articles of Association of the Travel Industry Council of Hong Kong be amended as stipulated under Appendix I was duly passed as a Special Resolution.

Dated the 20th day of November, 2007

(Sd.) Ronnie HO
Chairman

Registration Number: 222801

THE COMPANIES ORDINANCE (CHAPTER 32)

SECTION 21

SPECIAL RESOLUTION

OF

TRAVEL INDUSTRY COUNCIL OF HONG KONG

Passed on the 19th day of July, 2006

At an Extraordinary General Meeting of the Members of the Travel Industry Council of Hong Kong duly convened and held at the Orchid Room, Lower Level II, Kowloon Shangri-la Hotel, 64 Mody Road, Tsimshatsui, Kowloon, Hong Kong on the 19th day of July, 2006 at 2:30 pm, the resolution that the Memorandum and Articles of Association of the Travel Industry Council of Hong Kong be amended as stipulated under Appendix I was duly passed as a Special Resolution.

Dated the 19th day of July, 2006

(Sd.) Ronnie HO
Chairman

Registration Number: 222801

THE COMPANIES ORDINANCE (CHAPTER 32)

SECTION 21

**SPECIAL RESOLUTION
OF
TRAVEL INDUSTRY COUNCIL OF HONG KONG**

Passed on the 17th day of December, 2002

At an Extraordinary General Meeting of the Members of the Travel Industry Council of Hong Kong duly convened and held at the Ballroom, 2/F, Great Eagle Hotel, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on the 17th day of December, 2002 at 12:00 noon, the resolution that the Memorandum and Articles of Association of TIC be amended as stipulated under Appendix I was duly passed as a Special Resolution.

Dated the 17th day of December, 2002

(Sd.) Ronnie YUEN
Chairman

Registration Number: 222801

THE COMPANIES ORDINANCE (CHAPTER 32)

SECTION 21

**SPECIAL RESOLUTION
OF
TRAVEL INDUSTRY COUNCIL OF HONG KONG**

Passed on the 28th day of August, 1997

At an Extraordinary General Meeting of the Members of the Travel Industry Council of Hong Kong duly convened and held at the Metropal Restaurant, 4/F United Centre, 95 Queensway, Hong Kong on the 28th day of August, 1997 at 6:00 pm, the resolution that the Articles of Association of TIC be amended as stipulated under Appendix I was duly passed as Special Resolution of The Association.

Dated the 28th day of August, 1997

(Sd.) Simon HAU
Chairman (Acting)

Registration Number: 222801

THE COMPANIES ORDINANCE (CHAPTER 32)

SECTION 21

**SPECIAL RESOLUTION
OF
TRAVEL INDUSTRY COUNCIL OF HONG KONG**

Passed on the 15th day of January, 1996

At an Extraordinary General Meeting of the Members of the Travel Industry Council of Hong Kong duly convened and held at the Ballroom of Hotel Furama Kempinski Hong Kong, 1 Connaught Road Central, Hong Kong on the 15th day of January 1996 at 2:30 pm, the resolution as set out in Appendix I was duly passed as Special Resolution of The Association.

Dated the 15th day of January, 1996

(Sd.) Harold Tan WU
Chairman

Registration Number: 222801

THE COMPANIES ORDINANCE (CHAPTER 32)

SECTION 21

SPECIAL RESOLUTIONS

OF

TRAVEL INDUSTRY COUNCIL OF HONG KONG

Passed on the 22nd day of February, 1994

At an Extraordinary General Meeting of the Members of the Travel Industry Council of Hong Kong duly convened and held at the Training Room of the Travel Industry Council of Hong Kong, Room 1706-09 Fortress Tower, 250 King's Road, North Point, Hong Kong on the 22nd day of February 1994 at 11:00 am, the resolutions as set out in Appendix I-IV were duly passed as Special Resolutions of The Association.

Dated the 22nd day of February, 1994

(Sd.) Harold Tan WU
Chairman

No.222801
編號

CERTIFICATE OF INCORPORATION

公司註冊證書

I hereby certify that
本人茲證明

TRAVEL INDUSTRY COUNCIL OF HONG KONG
(香港旅遊業議會)

(the word 'Limited' being omitted by Licence granted by me) is this day incorporated
(本人已發予許可證將「有限公司」字樣刪除)

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爲有限公司。

Given under my hand this Thirtieth day of July One Thousand Nine Hundred
簽署於一九八八年七月三十日。

and Eighty-eight.

(Sd.) Mrs M. F. LEE

.....
p. Registrar General
(Registrar of Companies)
Hong Kong
香港註冊總署長暨公司註冊官
(註冊主任李石美芳代行)

THE COMPANIES ORDINANCE

(Chapter 32 of the Laws of Hong Kong, Revised Edition, 1984)

SECTION 21

WHEREAS it has been proved to my satisfaction that TRAVEL INDUSTRY COUNCIL OF HONG KONG (香港旅遊業議會) (hereinafter called "TIC"), which is about to be registered under the Companies Ordinance as a company limited by guarantee, is formed for the purpose of promoting objects of the nature contemplated by Section 21 of the said Ordinance, and that it is the intention of TIC that the income and property of TIC, whencesoever derived, shall be applied solely towards the promotion of the objects of TIC, as set forth in its Memorandum of Association, and that no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend or bonus or otherwise howsoever by way of profit, to the members of TIC.

NOW THEREFORE I, in pursuance of the powers vested in me, and in consideration of the provisions and subject to the conditions contained in the Memorandum of Association of TIC as subscribed by six members thereof on the 27th day of July, 1988, do by this my licence direct TRAVEL INDUSTRY COUNCIL OF HONG KONG (香港旅遊業議會) to be registered with limited liability without the addition of the word "Limited (有限公司)" to its name.

GIVEN under my hand at Victoria in Hong Kong this Thirtieth day of July One Thousand Nine Hundred and Eighty-eight.

(Sd.) (R.J. Perera)
p. Registrar General
(Registrar of Companies)
Hong Kong

THE COMPANIES ORDINANCE (CHAPTER 32)

**COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

MEMORANDUM OF ASSOCIATION

of

TRAVEL INDUSTRY COUNCIL OF HONG KONG
(香港旅遊業議會)

1. The name of the Company (hereinafter called “TIC”) is “Travel Industry Council of Hong Kong (香港旅遊業議會)”.
2. The registered office of TIC will be situated in Hong Kong.
3. The objects for which TIC is established are:-
 - (1) (a) To take over the assets, liabilities and members of the un-incorporated body known as “Travel Industry Council of Hong Kong (香港旅遊業議會)”.
 - (b) To establish an organisation for and fully representative of Member travel agents and tour operators in Hong Kong.
 - (c) To promote and develop the general interests of all Members of TIC in their relations with one another and with others in the travel industry.
 - (d) To establish and maintain Codes of Conduct between Members themselves, between Members and TIC and between Members and the general public, with the object that Membership of TIC shall be recognised as an indication of integrity, competence and a high standard of service.
 - (e) To discourage unfair competition without however interfering in any way with initiative and enterprise based on fair trading.
 - (f) To promote friendly relations with others in the travel industry and to provide means for negotiations and liaison with other bodies concerned with the development of travel both in Hong Kong and abroad.

- (g) To take all such action as may be deemed necessary or expedient to inform the public of the advantages of making their travel arrangements through Members of TIC.
- (h) To do all such things as may be deemed necessary or expedient to raise the prestige and status of Members of TIC.
- (i) To promote and advance the cultural and educational aspects of travel and the education and instruction of persons concerned or intending to be concerned with travel, travel agency and tour operating and tourism and (without prejudice to the generality of the foregoing) for this purpose to promote international exchange of cultural activities, to provide for the delivery and holding of lectures, exhibitions, public meetings, classes to support schools and colleges, to establish and run courses and examinations, to award diplomas and to publish any matter in any manner that may be considered desirable.
- (j)
 - (i) To carry out its rights and obligations under or pursuant to the Travel Agents Ordinance, including acting as authorized collector of The Fund Levy (referred to in Section 32H of the Travel Agents Ordinance) and to collect the Council Levy referred to in Section 32I of the Travel Agents Ordinance.
 - (ii) Without limitation to Clause 3(1)(j)(i) to collect The Fund Levy in accordance with the requirements of the Travel Industry Compensation Fund Management Board (established under the Travel Agents Ordinance) (the “TICF Management Board”) and to transfer the collected Fund Levy in accordance with the provisions of the Travel Agents Ordinance to the TICF Management Board.
 - (iii) To require the Members of TIC to make payments or contributions to the Council Levy and The Fund Levy.
 - (iv) To assist to sue and institute and conduct proceedings in the name of the TICF Management Board (established under the Travel Agents Ordinance) relating to the collection of The Fund Levy and to sue and institute and conduct proceedings in the name of TIC relating to the collection of the Council Levy.

- (k) To promote and protect the welfare and other lawful interests of the Members of TIC and of the Association Members of TIC.
 - (l) To promote, support, improve or oppose legislative or other measures affecting the interests of TIC or of its Members and to make representation to the Government or any of its departments on any question or matter affecting such interests.
 - (m) To maintain liaison with principals in order to achieve harmony in the relations between individual principals and their individual agents.
 - (n) To acquire TICBF Limited.
- (2) To purchase, take on lease or in exchange, hire or otherwise acquire, any real or personal property, and any rights or privileges which TIC may think necessary or convenient and to construct, equip, maintain and alter any houses, buildings or erections necessary or convenient for the purposes of TIC.
 - (3) To sell, improve, manage, develop, lease, mortgage, dispose of or turn to account or otherwise deal with all or any of the property or assets of TIC as may be deemed expedient with a view to the promotion of its objects.
 - (4) To undertake and execute any trusts which may lawfully be undertaken by TIC and are conducive to its objects.
 - (5) To borrow or raise or secure the payment of money in such manner as TIC shall think fit, and in particular by the issue of debentures, perpetual or otherwise, charged upon all or any of the property of TIC (both present and future), and to purchase, redeem or pay off any such securities.
 - (6) To invest the moneys of TIC not immediately required for its purposes in or upon such investments, securities or property and to engage in such activities to raise money for the purposes of TIC as may be thought fit.
 - (7) To accept donations and endowments for the objects of TIC and to support establishments and institutions for any of the purposes herein provided and with similar objectives in Hong Kong or in other

parts of the world provided that such establishments and institutions shall prohibit the distribution of their income and property among their numbers to an extent at least as great as is imposed on TIC under or by virtue of Clause 4 hereof.

- (8) To advance and promote learning and education and to grant scholarships and prizes for the purposes of the above objects or any of them.
- (9) To raise money by subscription or other lawful means for the purposes of the above objects or any of them.
- (10) To support and subscribe to any charity or relief or public fund in the Territory of Hong Kong or elsewhere and to make donations to such persons or institutions as TIC shall think fit provided that such persons or institutions shall prohibit the distribution of their income and property among their numbers to an extent at least as great as is imposed on TIC under or by virtue of Clause 4 hereof.
- (11) To enter into any arrangement with any Government or Authority, whether supreme, municipal, local or otherwise, that may seem conducive to the attainment of TIC's objects or any of them, and to obtain from any such Government or Authority any right or privilege may deem desirable to obtain, and to carry out, exercise and comply with any such arrangement, rights, privileges and concession.
- (12) To insure TIC, its property and undertaking, in whole or in part, against all damage, loss, risk or liability.
- (13) To act as arbitrator in the settlement of any dispute or differences between Members and Members and Non-Members arising in the course of business.
- (14) To establish and/or act as an appeals tribunal in matters relating to the refusal of admission to or expulsion from or suspension of membership of a Association Member of any person, firm or incorporated body.
- (15) To make, amend and repeal rules, by-laws and Directives affecting the membership, management and control of TIC and the conduct of its Members.

- (16) To establish one or more committees for the binding interpretation and enforcement of any such rules, by-laws, Directives and other requirements and for making amendments from time to time to any such rules, by-laws, Directives and other requirements provided such amendments are not inconsistent with the provisions (or any of them) of this Memorandum and Articles of Association.
- (17) To establish from time to time and with the approval of the Secretary for Commerce and Economic Development or a public officer appointed by him to make rules for and to alter a scale of charges for:-
 - (a) membership of TIC; and
 - (b) annual or monthly or such other periodical or contract levies upon or subscriptions from Members.
- (18) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, warrants, debentures, unsecured loans and other negotiable or transferable instruments.
- (19) To mortgage or charge the undertaking and all or any of the real and personal property, present or future of TIC and to issue at par, or at a premium, mortgage debentures or debentures or debenture stock, either perpetual or irredeemable or redeemable or repayable, and collaterally or further to secure any securities of TIC by a trust deed or other assurance, and to confer upon the trustees of any such deed all such powers of management and realisation whether before or after the security constituted by the deed has become enforceable, and also such powers of control supervision and voting as TIC may think expedient.
- (20) To do all such things as TIC may deem incidental or conducive to the attainment of the above objects or any of them or which may be conveniently carried on or done in connection therewith, or which may be calculated, directly or indirectly, to enhance the value of, or render profitable, any business or property of TIC.
- (21) The objects specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall in no wise be limited or restricted (except where otherwise expressed in such paragraph) by reference to or inference from the terms of any other paragraph, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate and distinct company.

Provided that:-

- (a) In case TIC shall take or hold any property which may be subject to any trusts, TIC will only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
 - (b) The objects of TIC shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.
 - (c) The powers set forth in the Seventh Schedule of the Companies Ordinance (Cap.32) are hereby excluded.
4. The income and property of TIC, whencesoever derived, shall be applied solely towards the promotion of the objects of TIC 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 to the Members of TIC. Provided that nothing herein shall prevent the payment in good faith of reasonable and proper remuneration to any officer or servant of TIC, or to any Member of TIC, in return for any service actually rendered to TIC nor prevent the payment of interest at a rate not exceeding 12 per cent per annum or 2 per cent above the prime rate prescribed by The Hongkong And Shanghai Banking Corporation Limited for Hong Kong dollar loans whichever is the lower on money lent save and except by reason of the macroeconomic circumstances resulting in a higher interest rate, or reasonable and proper rent for premises demised or let by any Member to TIC; but so that no member of The Board of Directors of TIC, shall be appointed to any salaried office of TIC or any office of TIC paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by TIC to any member of such Board of Directors 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 TIC provided that the provision last aforesaid shall not apply to any payment to any Company of which a member of The Board of Directors may be a member and in which such member shall not hold more than one hundredth part of the capital, and such member shall not be bound to account for any benefit he may receive in respect of any such payment.
5. No addition, alteration or amendment shall be made to or in the provisions of the Memorandum or Articles of Association for the time being in force, unless the same shall have been previously submitted to and approved by The Registrar of Companies.

6. The liability of the Members is limited.
7. Every Member of TIC undertakes to contribute to the assets of TIC in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for payment of the debts and liabilities of TIC 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\$100 in aggregate under the provisions of this Clause 7.
8. If upon the winding up or dissolution of TIC 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 TIC; but which shall be given or transferred to some other institution or institutions, having objects similar to the objects of TIC, 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 TIC under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the Members of TIC at or before the time of dissolution and in default thereof by a Judge of the High Court of Hong Kong Special Administrative Region 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.
9. TIC 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 Registrar of Companies in writing.

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

Names, Addresses and Descriptions of Subscribers

For and on behalf of
HONG KONG ASSOCIATION OF CHINA TRAVEL ORGANISERS LIMITED
By (Sd.) Tam Kai On (譚啓安)
 Tam Kai On – Director
 24-34 Hennessy Road
 Hong Kong
(Corporate Body)

For and on behalf of
HONG KONG ASSOCIATION OF TRAVEL AGENTS LIMITED
By (Sd.) Ian Stewart
 Ian Stewart – Chairman
 1006 Tung Ming Building
 40 Des Voeux Road Central
 Hong Kong
(Corporate Body)

For and on behalf of
HONGKONG TAIWAN TOURIST OPERATORS ASSOCIATION LIMITED
By (Sd.) Wang Chung Shan (王重山)
 Wang Chung Shan – Chairman
 306 Tai Shing Commercial Building
 136 Des Voeux Road Central
 Hong Kong
(Corporate Body)

For and on behalf of
**INTERNATIONAL CHINESE TOURIST ASSOCIATION
LIMITED**

By (Sd.) Peggy Shum (沈碧琪)
Ms Peggy Shum
17th Floor
Entertainment Building
30 Queen's Road Central
Hong Kong
(Corporate Body)

For and on behalf of
SOCIETY OF IATA PASSENGER AGENTS LIMITED

By (Sd.) Wong Ka Lun, Alan
Wong Ka Lun, Alan – Chairman
1006 Tung Ming Building
40 Des Voeux Road Central
Hong Kong
(Corporate Body)

For and on behalf of
THE FEDERATION OF HONG KONG TRAVELLERS LIMITED

By (Sd.) Tse Hon Chung (謝漢忠)
Tse Hon Chung – Chairman
203 Hung Tak Building
106-108 Des Voeux Road Central
Hong Kong
(Corporate Body)

DATED this 27th day of July 1988

WITNESS to the above Signatures:- (Sd.) SALLY ANNE HAYES
Solicitor, Hong Kong
6th Floor, Prince's Building
Chater Road
Hong Kong

ARTICLES OF ASSOCIATION

of

TRAVEL INDUSTRY COUNCIL OF HONG KONG

(香港旅遊業議會)

PRELIMINARY

1. The number of Members which TIC registers on 19th July 2006 is 2,000 but The Board may from time to time register an increase of Members.
2. (1) In the Memorandum and in these Articles, where the context admits, the following words bear the meanings set opposite them:-

<u>Words</u>	<u>Meanings</u>
Appeal Board	The Appeal Board made up of members of the appeal panel of TIC according to Article 12.
Articles	These Articles as from time to time altered by special resolution.
Association Admitted After Incorporation	Hong Kong Outbound Tour Operators' Association Limited (香港外遊旅行團代理商協會有限公司) and Hongkong Japanese Tour Operators Association Limited (香港日本人旅客手配業社協會有限公司).
Association Members	(i) Those Old Associations which become Members of TIC and (ii) those New Associations which are admitted to membership of TIC, and remain Members.
Association Member's Chairman	The person who is from time to time the chairman for the time being of an Association Member.
Code of Conduct	The codes of practice or conduct promulgated from time to time by The Board and as amended by The Board from time to time

which is binding on all Members of TIC. For the avoidance of doubt, non-compliance with any Code of Conduct may, without limitation, lead to penalty to be imposed by The Board.

Controller	The controller as defined in the Travel Agents Ordinance, and any statutory modification or re-enactment thereof for the time being in force.
Council Levy	The levy payable under Section 32I of the Travel Agents Ordinance.
Directives	An official instruction howsoever termed and designated as a “Directive” by The Board of Directors of TIC which is binding on all members of TIC. For the avoidance of doubt, non-compliance with any Directive may, without limitation, lead to penalty to be imposed by The Board.
Directors and Independent Directors	Members of The Board of TIC as in accordance with the provisions of Article 45(1).
Elected Directors	The persons who are Elected Directors in accordance with Article 50.
Executive Director	The chief executive of the Executive Office of TIC.
Fit and Proper Person	See Article 2(3).
Fund Levy	The levy under Section 32H of the Travel Agents Ordinance which TIC is to collect as authorized collector under Part III A of the Travel Agents Ordinance.
Member	A member of TIC and Membership shall be construed accordingly.
Membership Committee	The committee from time to time established by TIC to deal with all aspects of Membership of TIC, including without limitation

admission, suspension, penalties and revocation of Membership under The Board and its supervision.

New Association	An association, other than an Old Association and Association Admitted After Incorporation, which meets the criteria referred to in Article 4(1)(b).
Old Association	The Federation of Hong Kong Chinese Travel Agents Limited (香港華裔旅遊協會有限公司); Hong Kong Association of China Travel Organisers Limited (香港中國旅遊協會有限公司); International Chinese Tourist Association Limited (國際華裔觀光協會有限公司); Hong Kong Association of Travel Agents Limited (香港旅行社協會有限公司); Society of IATA Passenger Agents Limited (國際航空協會審訂旅行社商會有限公司) and Hongkong Taiwan Tourist Operators Association Limited (港台旅行社同業商會有限公司).
Outbound tour	An outbound travel service as defined in the Travel Agents Ordinance, and any statutory modification or re-enactment thereof for the time being in force.
Secretary for Commerce and Economic Development	The Secretary for Commerce and Economic Development of the Hong Kong Government or a public officer appointed by him.
The Association	The unincorporated body known as “Travel Industry Council of Hong Kong (香港旅遊業議會)”.
The Board	The Board of Directors for the time being of TIC referred to in Article 45.
The Honorary Secretary	Any person elected by The Board to the honorary position of Honorary Secretary of TIC.

The Ordinance	The Companies Ordinance, Chapter 32 and any statutory modification or re-enactment thereof for the time being in force.
The Register	The Register of Members of TIC.
The Registrar	The Registrar of Travel Agents appointed under Section 5 of the Travel Agents Ordinance, Chapter 218 as amended from time to time.
The Seal	The Common Seal of TIC.
The Secretary	The Executive Director of TIC.
The Honorary Treasurer	Any person elected by The Board to the honorary position of Honorary Treasurer of TIC.
TIC	Travel Industry Council of Hong Kong (香港旅遊業議會).
TICBF	The company known as TICBF Limited, a company incorporated in Hong Kong.
TIC Bonding Fund	The fund referred to in the Third Clause sub-clause (j) of the Memorandum and Articles of Association of TICBF Limited (a company limited by guarantee incorporated in Hong Kong with limited liability).
TICF Management Board	The Travel Industry Compensation Fund Management Board established by Section 32B of the Travel Agents Ordinance.
Travel Agent	Includes tour operator and retail passenger agent.
Travel Agents Ordinance	The Travel Agents Ordinance, Chapter 218 and any statutory modification or re-enactment thereof for the time being in force.

- (2) Expressions denoting writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and any other mode of reproducing words

in a visible form; words importing the singular number only shall include the plural number and vice versa; words importing the masculine gender only shall include the feminine and neuter genders; and words importing individuals shall include corporations.

- (3) For the purposes of determining whether any person is a Fit and Proper Person under Articles 4(2)(h), 4(3)(h) and 11, The Board, the Appeal Board or The Registrar shall have regard to the question of whether that person:-
- (a) has been convicted, whether in Hong Kong or elsewhere, of an offence the conviction for which necessarily involved a finding that he acted fraudulently, corruptly or dishonestly;
 - (b) has been convicted of an offence against any provision of the Travel Agents Ordinance;
 - (c) in the case of an individual is an undischarged bankrupt, has entered into a composition or scheme of arrangement with his creditors or has made an assignment of his estate for the benefit of his creditors;
 - (d) in the case of a body corporate is in liquidation or the subject of a winding up order, a receiver or manager of its property has been appointed, has entered into a composition or scheme of arrangement with its creditors or has made an assignment of its estate for the benefit of its creditors;
 - (e) has been an owner or controlling shareholder, or director or controller of or a partner in a business which has failed to meet its liabilities;
 - (f) has been guilty of conduct which renders him unfit to be a Member; or
 - (g) is otherwise not a fit and proper person.

Subject as aforesaid, unless the context otherwise requires expressions contained in these Articles shall bear the same meanings as in The Ordinance or any statutory modification thereof in force at the date at which these Articles become binding on The Association.

MEMBERSHIP GENERALLY

3. (1) Each Member shall carry on business within Hong Kong.
- (2) There shall be three classes of Members, namely:- Association Members, Ordinary Members and Affiliate Members, whose membership of TIC shall be recorded in separate sections of The Register. A Member may be an individual, or a partnership, or a corporation.
- (3) The rights and privileges of a Member shall be personal to that Member, the members of the relevant firm or the corporation as the case may be, and shall not be transferable.
- (4) The Board shall be entitled in their absolute discretion to waive certain of the qualifications for membership to enable an individual or a partnership or a corporation who or which does or do not meet all the qualifications laid down for Ordinary or Affiliate Membership to become eligible for and to be admitted to Ordinary or Affiliate Membership of TIC; or to renew or to maintain his membership as the case may be.

QUALIFICATIONS AND RESTRICTIONS

Association Members

4. (1) Association Members shall be
 - (a) the subscribers to these Articles and those Associations Admitted After Incorporation; and any of the aforesaid which meet or have undertaken to the satisfaction of The Board to meet the criteria laid down in paragraphs (1)(b)(v) and (vi) of this Article 4; and
 - (b) any other New Association which meets the following criteria:-
 - (i) it is a company which is incorporated in Hong Kong;
 - (ii) its membership is restricted to travel agents, tour operators and retail passenger agents;
 - (iii) its primary objectives must:-

- (aa) be, in the opinion of The Board, for the benefit of the travel industry;
 - (bb) cover an area for which, in the opinion of The Board, there is a specific need and neither such need nor such objectives are already covered either individually or collectively by the Association Members;
- (iv) it has not less than 100 Ordinary Members of TIC. Should the membership of any Association Member after becoming an Association Member fall to below 50 Ordinary Members of TIC, The Board may consider expelling or revoking the Association Member's membership provided however, The Board or its authorized representative shall give two months' prior notice to The Registrar prior to such expelling or revoking of the Association Member's membership;
- (v) its criteria for membership is such that any of its members who wish to become members of TIC will automatically meet or better the criteria for membership of the appropriate class of membership in TIC laid down from time to time by TIC;
- (vi) its articles of association must be approved by The Board of TIC and must contain all such matters as The Board shall from time to time direct including, but not limited to the following:-
 - (aa) none of the articles shall be changed in any way save with the prior written consent of The Board of TIC and in accordance with that consent;
 - (bb) its chairman or its representative who is appointed in accordance with Article 47(2)(a) hereof on The Board of TIC shall at all times be an Ordinary Member of TIC. For this purpose the Chief Executive of the Ordinary Member who is registered with TIC and who is deemed to be the Member of TIC, pursuant to Article 49 hereof, or an executive director of the Ordinary

Member who has the authority of the chief executive to become the chairman of the Association Member and who is registered with TIC as aforesaid instead of the chief executive, shall be deemed to be the Ordinary Member;

- (cc) a person whose application for membership of the association is refused or rejected or a member who is expelled or suspended from membership of the association shall have the right to appeal to the Appeal Board of TIC and such person or the association shall, provided the matter falls within Article 12 of the Articles of TIC have the right to appeal to The Registrar;
- (dd) the association, its council and its members shall all be bound by the decision of the Appeal Board or of The Registrar;
- (ee) the chairman of the association or its representative who is appointed in accordance with Article 47(2)(a) hereof shall automatically vacate his office if he shall for any reason, including removal, vacate the office of a member of The Board of TIC in accordance with Article 56 hereof;
- (ff) any person who is not a Member of TIC shall be ineligible to become a member of the Executive Committee of an Association Member;
- (gg) The Chairman, Deputy Chairman, Honorary Secretary or Honorary Treasurer of an Association Member shall not at any time also be the Chairman, Deputy Chairman, Honorary Secretary or Honorary Treasurer of another Association Member.

Ordinary Members

- (2) An Ordinary Member shall be a limited company which meets the criteria laid down in sub-paragraphs (a) - (h) hereof unless and to the extent that such criteria is waived pursuant to Article 3(4):-

- (a) it is a company which has been incorporated in Hong Kong or is an overseas company which is registered as such with the Companies Registry in Hong Kong pursuant to Part XI of The Ordinance;
- (b) its only business shall be travel-related and tourism;
- (c) it is a member of an Association Member;
- (d) it has a paid-up capital of not less than HK\$500,000 plus a further HK\$250,000 for each branch office from which it conducts its travel-related and tourism business;
- (e) its financial position is considered by The Board to be sound;
- (f) it employs at each premises from which it conducts its travel-related and tourism business at least:-
 - (i) a manager who has within 5 years prior to any point in time during his employment had at least two continuous years' relevant practical experience; and
 - (ii) one other member of staff who is employed full time in the operation of such business.
- (g) it conducts its travel-related and tourism business within separate and independent commercial premises/buildings which are easily identified as being used solely for the travel-related and tourism business and which are approved by the Membership Committee of TIC. The agent's premises must not be an "office within an office" i.e. an office located within the agent's parent/affiliate/holding company's or another company's office premises. Exception may be granted to:-
 - (i) a branch office of a member agency inside a licensed hotel.
 - (ii) a branch office operated inside a department store provided that
 - the area is well-defined and partitioned off for the exclusive use by the agent, and

- the agent and the department store are not owned by the same proprietor/company; and
- (h) its controllers, directors, principal shareholders, secretary or officers or any person employed or concerned in the management of its travel-related and tourism business and each of them are respectable and honest businessmen and are otherwise Fit and Proper Persons.

Affiliate Members

- (3) An Affiliate Member shall be a person who meets the criteria laid down in sub-paragraphs (a) - (i) hereof unless and to the extent that such criteria is waived pursuant to Article 3(4).
 - (a) He is a sole proprietorship or partnership.
 - (b) He is a member of an Association Member.
 - (c) He has obtained and lodged with TIC a bond, guarantee or other form of security acceptable to The Board in the sum of HK\$150,000 or such other amount as The Board may from time to time decide in favour of TIC. Any moneys which are paid under such bond, guarantee or other form of security as aforesaid shall be paid to TIC which shall pay the same to such Affiliate Members' Trustee in Bankruptcy or, if such Affiliate Member is not adjudged bankrupt within 3 months of the date on which TIC issues a demand for payment under such bond, guarantee or other form of security, to the Member.
 - (d) His financial position is considered by The Board to be sound.
 - (e) He shall not have any branch office.
 - (f) He employs at the premises from which he conducts his travel-related and tourism business at least:
 - (i) a manager who has within 5 years prior to any point in time during his employment had at least two consecutive years' relevant practical experience; and
 - (ii) one other member of staff who is employed full time in the operation of such business.

- (g) He conducts his travel-related and tourism business within separate and independent commercial premises/buildings which are easily identified as being used solely for the travel-related and tourism business and which are approved by the Membership Committee of TIC. The agent's premises must not be an "office within an office" i.e. an office located within the agent's parent/affiliate/holding company's or another company's office premises.
 - (h) His partners or any person employed or concerned in the management of his travel-related and tourism business and each of them are respectable and honest businessmen and are otherwise Fit and Proper Persons.
 - (i) He is a respectable and honest businessman and is otherwise a Fit and Proper Person.
- (4) No application for Affiliate Membership from limited companies shall be accepted on or after 13th September 2006. For a limited company which has been admitted as an Affiliate Member before that date, it shall be given 2 years as from notice to be given to change itself from an Affiliate Member to an Ordinary Member of TIC, including to comply with all requisite qualification requirements for being an Ordinary Member, save and except that no payment of the fee shall be required for the change of membership category as stipulated in Article 5(3)(a). In the event of failure to change the membership within the requisite time, the Affiliate Membership of the limited company shall be expunged from The Register and Affiliate Membership of TIC, without prejudice to the rights of the Affiliate Member to make any future application for Ordinary Membership in compliance with the criteria for Membership.
- (5) None of the criteria laid down in each of Articles 4(1), (2), (3) and (4) shall be altered except with the approval of the Secretary for Commerce and Economic Development.
- (6) An Affiliate Member shall:-
- (a) not register, or organise or operate an outbound tour;
 - (b) be ineligible to be an Elected Director or an Association Member's Chairman or representative or otherwise to serve on The Board;

- (c) be subject to such other restrictions as The Board may impose from time to time in its absolute discretion.

FEES

- 5. (1) (a) Every New Association which is admitted to membership of TIC shall pay an entrance fee which shall be calculated at the rate of HK\$1,000 for each member of the New Association on the date on which the notice referred to in Article 5(2)(a) is posted or delivered to such New Association. The amount of the entrance fee may at any time and from time to time be altered by The Board with the written approval of the Secretary for Commerce and Economic Development.
 - (b) Every Ordinary and Affiliate Member whose application for membership is submitted on or after 1st April 1996 shall pay an entrance fee equivalent to 3 times the annual subscription payable by the member on the date on which the notice referred to in Article 5(2)(a) is posted or delivered to such Member. The amount of the entrance fee may at any time and from time to time be altered by The Board with the written approval of the Secretary for Commerce and Economic Development.
- (2) (a) Immediately upon the admission of a candidate to membership notice thereof shall be given to him, and he shall be furnished with a copy of the Memorandum and Articles, the Code of Conduct and of all rules, by-laws and Directives of TIC and a request to remit to TIC within one month from the date of such request the amount of his application fee (if any), entrance fee (if any), to the extent not already paid, and the first annual subscription and the contribution to TICBF (if any) referred to in Article 7(2). Upon payment of his application fee (if any), entrance fee (if any) and first annual subscription and the contribution to TICBF (if any) he shall become a Member of TIC and be entitled to all the benefits and privileges of membership and be bound by these Memorandum and Articles, (subject to Article 3(4)), the Code of Conduct and all rules, by-laws and Directives of TIC.
 - (b) If all fees, subscriptions and contributions referred to in Article 5(2)(a) be not paid within one month from the date of such request as aforesaid, the admission of such candidate

shall be void, unless he shall satisfy The Board that the delay in payment was due to absence from Hong Kong or other sufficient cause.

- (3) (a) The fees payable to the TIC in respect of the following matters shall be as proposed by The Board and approved by the Secretary for Commerce and Economic Development:-

Application for a change of address of a head or branch office.

Application for a change of name of any Member.

Application for any additional or replacement copy of a membership certificate.

Application for a change of membership category pursuant to Article 8(6).

Application for continuation of membership pursuant to Article 8(7)(a)(i).

Application for renewal of membership pursuant to Article 8(7)(b)(i).

- (b) Each such application or notification shall be accompanied by a remittance of the amount of the appropriate fee, and neither TIC, nor The Board, nor any officer or servant of TIC shall be under any duty or liability to consider or determine any such application or give effect to any such notification unless so accompanied.

- (4) A fee which is payable pursuant to this Article shall not in any circumstance be repayable.

SUBSCRIPTIONS

6. (1) Every Member shall pay an annual subscription as follows:-
- (a) Association Members - The annual subscription for Association Members shall be proposed by The Board and approved by the Secretary for Commerce and Economic Development.

- (b) (i) Ordinary Members - The annual subscription for Ordinary Members shall be proposed by The Board and approved by the Secretary for Commerce and Economic Development.
 - (ii) The amount payable for each branch office shall be paid upon the opening of the office and, thereafter annually on the 1st June according to the number of such Ordinary Member's branch offices as at 31st May. The fee payable for a branch office shall be paid in full irrespective of when such office is opened and there shall not be any refund of any such fee upon the closing of any office or for any other reason whatsoever except in the circumstances set out in paragraph (2).
 - (c) Affiliate Members - The annual subscription for Affiliate Members shall be proposed by The Board and approved by the Secretary for Commerce and Economic Development.
- (2) The Board may reduce proportionately all, but not some only, of the rates set out above in relation to any particular year by way of refund or waiver as appropriate.
 - (3) All subscriptions shall be payable by reference to the year commencing on 1st July and (except the first subscription of a new Member as provided in Article 5(2)(a)) shall be due and payable in one lump sum on the 1st June in each year. If the 1st June falls on a public holiday, the due date shall be the preceding business day.
 - (4) A Member who is admitted to membership on or after the 1st July in any year and before the 1st January in the next succeeding year shall upon admission pay the whole of the subscription for the then current year. A Member who is admitted to membership on or after the 1st January in any year and before the 1st July in that year shall pay one half of the subscription for the then current year.
 - (5) The rates of subscription set out above may at any time and from time to time be altered by The Board with the written approval of the Secretary for Commerce and Economic Development.
 - (6) If the subscription (or any fees payable therewith) for a Member has been outstanding for 1 month after it shall fall due for payment, he shall forthwith cease to be a Member save and except where the Member

shall within 14 days therefrom provide an explanation in writing to the absolute satisfaction of The Board along with payment of all arrears of outstanding fees, The Board may, but shall not be obliged to, re-admit the Member without payment of any additional entrance fee.

PAYMENT OF FUND LEVY AND COUNCIL LEVY AND CONTRIBUTION TO TIC BONDING FUND

7. (1) All applications for membership shall include an undertaking by or on behalf of the applicant to make payment of The Fund Levy and Council Levy in accordance with the Travel Agents Ordinance to TICF Management Board and TIC respectively.
- (2) Save as set out below, all Members shall upon their admission to membership pay to TIC in accordance with Article 5(2)(a) the sum of HK\$2,000, or such other sum as The Board may from time to time determine as a contribution to the bonding fund operated and maintained by TICBF, which sum shall be refunded, to the extent that there are funds available for such refund, to the Member without interest upon his ceasing for any reason to be a Member. The requirement for a Member to make such payment upon his admission as a Member shall not apply to:-
 - (a) Association Members; and
 - (b) those Ordinary Members or Affiliate Members who have made such payment before becoming admitted as a Member.

ADMISSION OF NEW MEMBERS AND OBLIGATIONS OF MEMBERS

8. (1) (a) Each of the subscribers to these Articles shall upon satisfying the criteria referred to in Article 4(1)(a) automatically become an Association Member.
- (b) (i) Any person, firm or corporation (including any New Association) may apply in writing for membership of TIC in the appropriate class or classes in such form accompanied by such information and documents as The Board shall from time to time prescribe, and The Board shall, provided the applicant meets the criteria for membership and pays all fees and subscriptions payable to TIC on membership, admit such person, firm or corporation to Membership accordingly.

- (ii) TIC will, provided the applicant shall have supplied TIC meantime with all such information as TIC shall require, notify the applicant within the period set out hereafter either that his application has been approved and that he may subject to paragraph (i) hereof be admitted to membership or that his application has been rejected. If TIC fails to so notify the applicant within such time the application shall be deemed to have been rejected.

The period within which such notification shall be given by TIC shall be:-

- (aa) for applications for Ordinary or Affiliate Membership, four months; and

- (bb) for Association Membership, six months;

in each case, from the date of receipt by TIC of the application for membership.

- (iii) Except in the case of an application for Association Membership, in the event of refusal or rejection (including a deemed rejection pursuant to sub-paragraph (ii) hereof) of any such application, the applicant may appeal in accordance with Article 12 to the Appeal Board and, by way of further appeal, to The Registrar.

- (c) There shall be no appeal to The Registrar against the refusal or rejection of an application for membership by an Old Association or a New Association and Articles 8(2) and 8(3) shall not apply to such associations.

- (d) An Affiliate Member shall be ineligible to be an Elected Director or an Association Member's Chairman or representative on The Board or otherwise to serve on The Board and shall not be entitled to any share in the property of TIC upon the dissolution of TIC.

- (2) All applications for membership shall include an undertaking by or on behalf of the applicant that in the event of such application being refused or rejected, no proceedings shall be instituted in any Court of Law arising out of any objections made to such application by any person or body or by The Board to which application is made unless and until:

- (a) notice of appeal against the decision to refuse or reject an application for membership shall have been given by the applicant to the Appeal Board in accordance with Article 12 and the decision of the Appeal Board on such appeal shall have been notified to the parties or such appeal shall have been withdrawn or otherwise disposed of; and
 - (b) where applicable notice of appeal shall have been given to The Registrar in accordance with Article 12 and the decision of The Registrar on such appeal shall have been notified to the parties or such appeal shall have been withdrawn or otherwise disposed of.
- (3) Any applicant for membership whose appeal against refusal or rejection of his application for membership of TIC, or whose appeal against refusal or rejection of his application for membership of an Association Member, is either upheld by the Appeal Board or is rejected by the Appeal Board but is upheld by The Registrar on further appeal shall, provided he pays all fees and subscriptions payable to TIC on membership be admitted to membership of TIC.
- (4) Every Member of TIC shall be deemed to have covenanted with TIC to comply with these Articles and the Code of Conduct and all rules and by-laws and Directives of TIC for the time being applicable.
- (5) Every Member shall at all times during normal business hours with or without prior notice afford to any person authorised by the Chairman of The Board all facilities necessary to enable such person to inspect any premises upon which that Member carries on business and to satisfy himself that the same comply with these Articles, the Code of Conduct and all rules, by-laws and Directives of TIC for the time being applicable and shall supply all information necessary to enable such person to satisfy himself that all requirements as to staff and their qualifications are met and that the provisions of these Articles, the Code of Conduct and the rules, by-laws and Directives of TIC are being complied with.
- (6)
 - (a) A Member who applies for change of its membership category from Ordinary Member to Affiliate Member or vice versa, shall pay the appropriate fees, irrespective of any earlier fees paid for the membership category being changed, as provided in Article 5(3)(a) (except in the case as stipulated in Article 4(4)) and submit all such information and documents as The

Board may require for the purpose of deciding whether to grant the application. The entrance fee shall not be applicable in respect of change of membership category.

- (b) The Board may grant the application either unconditionally or subject to such conditions as it may think fit or it may refuse the application if The Board is of the opinion that the Member does not, or will not following the change, meet the criteria for the category of membership or that any of the matters referred to in Article 11 applies in relation to the change.
 - (c) In the event of a refusal of an application referred to in sub-paragraph (a), the applicant may appeal against such refusal to the Appeal Board and, by way of further appeal to The Registrar in accordance with Article 12.
- (7) (a) (i) Subject to Article 8(7)(b)(i), Members shall within 14 days of the same occurring notify to The Board all changes in its shareholders or directors or controllers or in partners or owners of the Member and shall apply to The Board for continuation of its Membership.
- (ii) Members shall supply to The Board all such information and documents as The Board may require for the purpose of deciding whether to grant the application.
- (iii) The Board may grant the application either unconditionally or subject to such conditions as it may think fit or may refuse to continue and terminate the Membership if The Board is of the opinion that any of the matters referred to in Article 11 apply in relation to the changes referred to in sub-paragraph (a)(i).
- (b) (i) Where there is a change in financial control of a Member whether as a result of any change or series of changes referred to in Article 8(7)(a) or otherwise, the Membership of the Member shall terminate unless the Member has prior to the date of the change in financial control notified The Board of the intended change in financial control and applied for and been granted a renewal of its membership.

- (ii) Members shall supply to The Board all such information as The Board may require for the purpose of deciding whether to grant the application.
 - (iii) The Board may grant the application either unconditionally or subject to such conditions as it may think fit or it may refuse the application if The Board is of the opinion that the Member does not, or will not following the change in financial control, meet the criteria for an Ordinary Member or, as the case may be, Affiliate Member or that any of the matters referred to in Article 11 apply in relation to the change in financial control referred to in sub-paragraph (b)(i).
 - (iv) For the purpose of this Article (7)(b) a change in financial control shall mean in relation to a sole proprietorship, a change in ownership including the introduction of a partner; in the case of a firm a change in the identity of the partners who are for the time being entitled to a majority of its profits; and, in the case of a corporation a change in the identity of the controller or of the persons who are for the time being the beneficial owners of a majority of its issued share capital, excluding any part thereof which neither as respects dividends nor as respects capital, carries any right to participate beyond a specified amount in a distribution.
- (c) In the event of a refusal of an application referred to in sub-paragraphs (a)(iii) or (b)(iii), the applicant may appeal against such refusal to the Appeal Board and, by way of further appeal to The Registrar in accordance with Article 12.
- (8) (a) No Member shall publish a brochure unless such brochure complies in all respects with the Directives made from time to time by The Board relating to such brochures, contains all such information as The Board may from time to time require to be included in brochures and specimens or copies thereof have been submitted to TIC for registration not less than 2 working days before publication. A member shall only publish a brochure which has been submitted to and registered by TIC as aforesaid and shall not publish any such brochure which has been amended unless copies of such amended brochure shall also have been submitted to TIC for registration as aforesaid. For this

purpose a “brochure” shall mean any document which specifies the contents of a tour, holiday or other travel arrangements.

- (b) The Board may in its absolute discretion decide the date upon which the matters referred to in paragraph (a) shall be implemented and may implement the same in such stages and on such dates as The Board shall determine and from time to time notify in writing to the Members.

ACCOUNTS RULES

Form of Accounts

- 9. (1) Every Member shall keep proper books of accounts with respect to:-
 - (a) all sums of money received and expended by the Member and the matters in respect of which the receipt or expenditure takes place;
 - (b) all sales and purchases of goods or services by the Member;
 - (c) the assets and liabilities of the Member; and
 - (d) otherwise in compliance with applicable accounting standards consistently applied.
- (2) Every Ordinary Member shall cause to be prepared from time to time, a balance sheet and every Affiliate Member shall cause to be prepared from time to time accounts which shall be certified by the Member as correct showing a true and fair view of the state of affairs of the Member and a profit and loss account for the period ending on the date of such balance sheet or certified accounts. Such balance sheet or certified accounts shall be prepared as at the date which shall not, without the leave of The Board be more than twelve months after the date of the previous balance sheet or (if later) the date on which the Member becomes a Member of TIC.

CODES OF CONDUCT

- 10. (1) The Board shall prepare a Code of Conduct which it considers to be suitable for regulating the conduct and business or other practices of travel agents and other matter from time to time determined by The Board relevant to Membership of TIC.

- (2) Upon any such Code of Conduct being approved by The Board, it shall be promulgated by The Board and shall thereupon become binding upon the members of TIC.
- (3) The Board may, at its discretion, approve any addition to, or modification of, any Code of Conduct for the time being in force by having two-third or more of The Board members present (excluding the Immediate Past Chairman) voting in favour of such addition or modification. Such addition or modification shall be promulgated by The Board, and shall thereupon become binding upon Members.

TERMINATION OF MEMBERSHIP AND OTHER PENALTIES

11. (1) The Board may if it thinks fit terminate the membership of a Member:-
 - (a) in the case of a sole proprietor:-
 - (i) upon his death; or
 - (ii) if a bankruptcy order is made against him; or
 - (iii) if he enters into a composition or scheme of arrangement with his creditors or he makes an assignment of his estate for the benefit of his creditors;
 - (iv) (aa) if he is convicted, whether in Hong Kong or elsewhere, of an offence the conviction for which necessarily involved a finding that he acted fraudulently, corruptly or dishonestly; or
(bb) if any employee is so convicted;
 - (v) if he becomes a mentally disordered person or mentally incapacitated person or patient as defined in Section 2 of the Mental Health Ordinance (Cap. 136); or
 - (b) in the case of a firm:-
 - (i) if a bankruptcy order is made against:-
 - (aa) the firm or against all of the partners thereof; or

- (bb) any partner therein;
- (ii) (aa) if the firm or all of the partners thereof enter into a composition or scheme of arrangement with its or their creditors or it or they make an assignment of its or their estates for the benefit of its or their creditors; or
 - (bb) if any partner therein enters into such a composition or scheme or makes such an assignment;
- (iii) (aa) if the partners are convicted, whether in Hong Kong or elsewhere, of an offence the conviction for which necessarily involved a finding that they acted fraudulently, corruptly or dishonestly; or
 - (bb) if any partner or employee of the firm is so convicted; or
- (c) in the case of a corporation:-
 - (i) if the Member goes into liquidation (not being voluntary liquidation for the purpose only of reconstruction or amalgamation) or has a receiver appointed of its undertaking or any part thereof; or
 - (ii) if the Member enters into a composition or scheme of arrangement with its creditors or it makes an assignment of its estate for the benefit of its creditors; or
 - (iii) if any director, controller or officer of the corporation is convicted, whether in Hong Kong or elsewhere of an offence the conviction for which necessarily involved a finding that he acted fraudulently, corruptly or dishonestly; or
- (d) if The Registrar refuses to grant the Member a travel agents licence under the Travel Agents Ordinance or if such a licence is revoked or suspended by The Registrar; or
- (e) (subject to paragraph (8)), if the Member ceases to fulfill all the conditions and qualifications for Membership of TIC; or

- (f) if in the opinion of The Board any change has occurred in the status, nature or condition of any Member, or of a partner in a firm which is a Member or of a director, Controller or officer of the corporation which is a Member which unfits him or such firm or corporation to continue as a Member; or
- (g) if the Member or a partner in a firm which is a Member or a director, Controller or officer of the Member which is a corporation fails to observe or materially contravenes any of the provisions of these Articles or the Code of Conduct or any of the lawful rules or regulations or Directives of TIC for the time being in force or is guilty, in the opinion of The Board, of conduct which unfits him or the firm or corporation of which he is a partner or director or controller or officer to continue as a Member; or
- (h) if the Member or a partner in a firm which is a Member or any director, Controller or office of a corporation which is a Member cannot in the opinion of The Board meet his liabilities; or
- (i) if The Board is of the opinion:-
 - (i) in the case of a Member other than a Member which is a body corporate that:-
 - (aa) the Member, or any partner thereof, is not a Fit and Proper Person to carry on business as a travel agent; or
 - (bb) any person in Hong Kong responsible or proposed to be responsible for the management of the business of the travel agent or any part thereof is not a Fit and Proper Person to be associated with the business of a travel agent;
 - (ii) in the case of a Member which is a body corporate that:-
 - (aa) the Member is not a Fit and Proper Person to carry on business as a travel agent; or
 - (bb) any director or Controller or secretary or officer of such body corporate is not a Fit and Proper

Person to be associated with the business of a travel agent;

- (j) the premises from which the Member carries on business as a travel agent or the situation thereof are not, in the opinion of The Board, suitable for the carrying on of such business.
 - (k) if the Member has ceased carrying on the business of a travel agent.
- (2) (a) The Board may terminate the membership of a Member summarily on the happening of any of the events referred to in sub-paragraphs (a)(i), (ii), (iii), (v), (b)(i)(aa), (ii)(aa), (iii)(aa), (c)(i), (ii) or (d) of paragraph (1) hereof.
- (b) (i) Without prejudice to Article 11(2)(a) and to the right of The Board to summarily suspend the membership of a Member pursuant to paragraphs (3) and (5) hereof, The Board may terminate the membership of a Member on any of the grounds set out in paragraph (1) provided that The Board shall not terminate a Member's membership under this sub-paragraph (b) unless The Board first :-
- (aa) gives notice in writing to the member of its intention and the ground upon which it proposes to terminate his membership; and
 - (bb) permits the Member to make representations to it.
- (ii) Representations under sub-paragraph (b)(i) shall be made in writing and within 7 clear days from the date of notification under sub-paragraph (b)(i) or such greater period as is specified in the notice.
- (c) A Member whose membership is summarily terminated pursuant to sub-paragraph (2)(a) or terminated pursuant to sub-paragraph (2)(b) may appeal against such termination but such membership shall remain terminated pending the hearing of the appeal which shall be heard without delay.
- (3) (a) If The Board in the exercise of its powers under paragraph (2) of this Article should consider that termination of membership

were an excessive penalty, then The Board may in the exercise of its absolute discretion, subject to the limits provided in sub-paragraph (b) below, fine any Member; and/or (without prejudice to the right of The Board to summarily suspend the membership of a Member pursuant to paragraph (5) hereof) suspend any Member from membership for a period not exceeding two years; and/or require from any Member such undertakings as to due compliance with these Articles and the Code of Conduct applicable to him as it may deem to be just; and/or administer a reprimand to any Member. In the event of a breach of any such undertaking being established to the satisfaction of The Board at any subsequent hearing convened on notice to the Member concerned giving details of such alleged breach, or in the event of any such fine not being received by TIC within the time stipulated by The Board for its payment then, unless the Member shall have given notice of appeal to the Secretary in accordance with Article 12(3)(a) the Member's membership of TIC shall terminate thenceforth without further notice provided that the provisions of sub-paragraph (2)(b) hereof as they apply to the giving of a notice of a decision to terminate shall apply mutatis mutandis to the decision to suspend and/or to fine a Member pursuant to this paragraph.

(b) The Board may fine a Member up to:-

(i) HK\$50,000 on the first occasion,

(ii) HK\$100,000 on the second occasion and,

(iii) HK\$200,000 on the third and any subsequent occasion,

during any two-year period, of any of the provisions of these Articles or the Code of Conduct or any of the lawful rules or regulations or Directives of TIC for the time being in force being contravened. The amount of such fines may at any time and from time to time be altered by The Board with the prior written approval of the Secretary for Commerce and Economic Development.

(4) In this Article 11, references to "The Board" shall include a committee of The Board consisting of not less than 5 members of The Board.

- (5) (a) If The Board have reason to suspect
- (i) dishonesty on the part of
 - (aa) a Member, or
 - (bb) an employee of a Member, or
 - (cc) where the Member is a body corporate, any Controller and any director, secretary or other officerin connection with the carrying on of the Member's business; or
 - (ii) that a Member
 - (aa) has ceased or is about to cease carrying on business as a travel agent; or
 - (bb) is about to go into liquidation or bankruptcy or to have a receiver appointed over it; or
 - (cc) does not intend or is unable or unwilling to perform services as advertised; or
 - (dd) cannot meet his liabilities; or
 - (ee) is about to enter into a composition with his creditors; or
 - (ff) is about to have his travel agent's licence under the "Travel Agents Ordinance" revoked or suspended by The Registrar; or
 - (gg) is carrying on his business as a travel agent contrary to the public interest; or
 - (hh) has failed to comply with a material part of these Articles, or the Code of Conduct or of any rules or by laws or Directives including those relating to the use of franking machines, payment of moneys to the TICF Management Board and TIC

or non-registration of brochures or non-compliance with directives from The Board in relation to brochures or the contents thereof;

The Board may conduct such investigation as it considers necessary in respect of that business.

- (b) For the purpose of an investigation of a business under sub-paragraph (5)(a) The Board may:-
 - (i) by notice in writing, require a person associated with the business
 - (aa) to produce to The Board or to such person as it may direct such documents relating to the business of the Member as are in the custody or under the control of that person;
 - (bb) to give The Board or to such person as it may direct all reasonable assistance in connection with the investigation; and
 - (cc) to attend before The Board or to such person as it may direct and to give evidence;
 - (ii) receive such evidence as The Board or such person as it may direct considers relevant to the investigation whether or not it would be admissible in a court; and
 - (iii) In this paragraph, “person associated” in relation to a Member includes:-
 - (aa) the Member;
 - (bb) any employee of the Member; or
 - (cc) in the case of a Member that is a body corporate, any Controller and any director, secretary or other officer thereof.
- (c) Any notice given by The Board under sub-paragraph (5)(b):-
 - (i) shall be signed by a Board member;

- (ii) shall state the time when and the place where the person to whom the notice is addressed shall comply with any requirement stated in the notice;
 - (iii) shall be served on the person to whom it is addressed; and
 - (iv) may be served by post.
- (d) A person given notice by The Board under sub-paragraph (5)(c):-
 - (i) shall comply with any requirement stated in that notice;
 - (ii) shall truly and fully answer questions put to him by The Board or by such person as it may direct; and
 - (iii) shall not knowingly furnish to The Board or to such person as The Board may direct, whether in pursuance of such requirement or otherwise, information that is false or misleading in a material particular.
- (e) The Board may, in its discretion, pay any witness giving evidence or attending to give evidence or produce books, papers or documents at any investigation under this section such sum for his expenses and loss of time as The Board may determine.
- (f) The Board may in respect of the conduct of an investigation under sub-paragraph (5) determine any form or matter of practice or procedure.
- (g) After conducting an investigation under sub-paragraph (5) in relation to the business of a Member as a Travel Agent The Board may order the Member to pay the whole or a specified part of the costs of, or incidental to, that investigation.
- (h) The Board may summarily suspend the membership of a Member:-
 - (i) if any person given a notice under sub-paragraph (5)(b) either does not comply therewith or breaches the provisions of sub-paragraph (5)(d); or

- (ii) if, in the course of an investigation, The Board has reason to believe that it is in the public interest to do so, or that the Member has committed or is likely to commit fraud; or is likely or about to abscond; or that any of the matters set out in paragraphs (5)(a)(ii)(aa) to (ee) (both inclusive) have occurred or are likely or are about to occur.
 - (i) A Member whose membership is summarily suspended pursuant to sub-paragraph (5)(h) may appeal against such suspension but such membership shall remain suspended pending the hearing of the appeal which shall be heard without delay.
- (6) Any Member aggrieved by the termination or suspension of his membership under the above provisions of this Article may appeal in accordance with Article 12 to the Appeal Board, and except as provided in paragraphs (2), (3), (5)(a)(i) and (7), pending the determination of the appeal his membership shall not be terminated or suspended nor need any fine be paid.
- (7) In the event of any fine imposed by the Appeal Board not being received by TIC within fourteen days from the date upon which notification of the fine was given to the Member by the Appeal Board, the Member's membership of TIC shall terminate thenceforth without further notice.
- (8) If an Association Member shall cease for any reason to be a Member of TIC those members of that Association Member who are also Members of TIC shall remain members of TIC for a period of six months from the date when the Association Member ceased to be a Member of TIC. At the expiration of such six-month period those members of the former Association Member who are not members of another Association Member shall cease to be Members of TIC. The Board shall have the power to extend such six-month period where it is satisfied that an application for membership of another Association Member has been made and is likely to be accepted but the processing of such application has not been completed.
- (9) On the cessation of membership for any reason whatsoever the former Member shall not be entitled to recover any part of his subscription paid for the current year and he shall forthwith return to TIC any Certificate or Diploma confirming his membership and any

stereo of the symbol of TIC which may have been issued to him and all property of TIC in his possession and shall forthwith cease to display in any form whatsoever the symbol of TIC or any reference to his membership thereof.

APPEAL BOARD

12. (1) The following shall be members of an appeal panel:-
- (a) Every Association Member's Chairman or its representative appointed in accordance with Article 47(2)(a);
 - (b) All Elected Directors; and
 - (c) 10 persons, none of whom shall be a Member or have any financial interest in or be connected with a Member and each of whom shall be nominated by The Board and appointed by the Secretary for Commerce and Economic Development. Such persons in this sub-article (c) are referred to as "The Appointees".
- (2) (a) Every appeal shall be heard by an Appeal Board which shall be made up from the appeal panel. Every Appeal Board shall consist of 3 of The Appointees (one of whom shall be the Chairman of that Appeal Board) and 2 persons drawn from amongst the Association Members Chairmen and the Elected Directors.
- (b) No member of an Appeal Board shall have been a member of the committee of The Board against whose decision the appeal is lodged nor shall he have any interest in or connection with (i) such appeal, nor (ii) any party to, or which has an interest therein.
 - (c) A person who is an Association Member's Chairman or otherwise the representative of the Association Member on The Board or an Elected Director shall automatically cease to be a member of the appeal panel upon his ceasing to be an Association Member Chairman or the representative of the Association Member on The Board or an Elected Director unless at the time when he ceases to hold such position he is a member of an Appeal Board which has not delivered its decision on an appeal before it. In such circumstances he shall cease to be a member of the appeal panel following delivery of the decision of the Appeal Board.

- (3) (a) Any person desirous of appealing against any decision under the rights in that behalf contained in these Articles shall, within fourteen days after notification to him of the decision appealed against, give notice of appeal or within such 14-day period apply for extending the period for lodging an appeal for an additional period of not more than fourteen days in writing to the Secretary. Notwithstanding such notice of appeal being given, the appellant shall pay his fine within fourteen days as from the relevant notice being given. In the event of the fine being refunded or not to be refunded, no interest whatsoever shall be payable thereof.
- (b) On receipt of such notice as aforesaid, together with payment of the sum of HK\$1,000 or such other fee as The Board may from time to time prescribe, the Secretary shall convene a meeting of the Appeal Board to hear such appeal.
- (c) The Secretary shall give the appellant and the body whose decision is appealed against not less than fourteen days' notice of the time and place of meeting of the Appeal Board, and shall in such notice inform the appellant that he may attend and make representations to the Appeal Board. Representatives of the body whose decision is appealed against and such other persons as the Appeal Board may agree may also attend the meeting of the Appeal Board and make representations.
- (4) (a) An appeal shall lie to The Registrar from the Appeal Board on all matters which, or which may, touch on, involve or relate to the power or ability of The Registrar to grant, refuse to grant, revoke or suspend a Member's, or other person's licence under the Travel Agents Ordinance.
- (b) Any person to whom sub-article 4(a) applies who is aggrieved by any decision of the Appeal Board shall, within 14 days after notification to him of the decision of the Appeal Board, give notice of appeal in writing to The Registrar.
- (c) The Registrar shall give the appellant, the respondent and the Appeal Board not less than 14 day's notice of the time and place of the hearing of the appeal and shall in such notice inform the appellant that he may attend and make representations to The Registrar. Representatives of the respondent and of the Appeal Board and such other persons as The Registrar may agree may

also attend the hearing and make representations. The appeal shall be in the form of a new hearing.

- (5) (a) Following the conclusion of the hearing of an appeal the Appeal Board or, when appropriate, The Registrar, shall deliver its or his decision to the appellant, the respondent and, where appropriate, the Appeal Board.
- (b) The decisions of the Appeal Board and of The Registrar shall be binding on TIC (including its Board and all committees) and Association Members. The Board and, where applicable, the Association Members shall take appropriate steps to carry out the decisions of the Appeal Board and of The Registrar.
- (6) The Appeal Board and The Registrar shall have power to provide for the fee paid by the appellant to be repaid to him wholly or in part.
- (7) The Appeal Board and The Registrar shall regulate proceedings as it or he shall from time to time determine with a view to dealing with all appeals promptly and judicially.
- (8) If any Association Member shall decide to reject any person's application for membership of such Association Member or to terminate, suspend or expel any person from such membership or to fine him, such person shall be entitled to appeal against the decision of the Association Member to the Appeal Board and, provided the matter is within sub-article 4(a), from the Appeal Board to The Registrar.
- (9) The provisions of this Article 12 shall not be amended save with the approval of the Secretary for Commerce and Economic Development.
- (10) The Appeal Board may confirm, vary or quash a decision against which these Articles provide for a right of appeal to the Appeal Board and it may impose fines in accordance with Article 11(3)(b) hereof.

GENERAL MEETINGS

Holding of General Meetings

13. (1) TIC shall in each year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year and not more

than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

- (2) TIC shall hold its first Annual General Meeting as set out in Article 57.
14. The Board may call an Extraordinary General Meeting whenever it thinks fit and on the requisition of Members in accordance with section 113 of The Ordinance or in default, such requisitionists may convene an Extraordinary General Meeting as provided by that section.
15. Every general meeting shall be held at such time and place in Hong Kong as The Board may determine.

Notice of General Meetings

16. Fourteen clear days notice at least, or (in the case of an Annual General Meeting or a meeting convened to pass a special resolution) twenty-one clear days notice at least shall be given to such Members as are entitled to receive notices from TIC and also to its Auditors. The length of notice in every case shall be calculated exclusive of the day on which the notice is served or deemed to be served and the day for which it is given.
17. A meeting shall, notwithstanding that it is called by shorter notice than that specified in the preceding 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 having the right to attend and vote thereat; and
 - (2) In the case of any other meeting, by a majority in number of the Members having that right together representing not less than 95 per cent of the total voting rights at that meeting of all the Members.
18. Every notice of a meeting shall specify the place, the day and the hour of the meeting, and in the case of special business the general nature of such business. The notice convening an Annual General Meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution.

19. The accidental omission to give notice of any meeting to, or the non-receipt of the notice by, any person shall not invalidate the proceedings at the meeting.

Proceedings at General Meetings

20. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting, with the exception of the election of Member Elected Directors pursuant to Article 50 in place of those retiring, consideration of the accounts and balance sheet, the reports of The Board and Auditors and any other documents annexed to the balance sheet, and the re-appointment of retiring Auditors and the fixing of their remuneration.
21. No business shall be transacted at any general meeting unless a quorum is physically present when the meeting proceeds to business and continues to be present until the conclusion of the meeting. Members holding not less than 5 per cent of the total voting rights of all of the Members physically present shall be a quorum for all purposes. A Member shall be deemed physically present if present in person or if there is present his or its representative or proxy.
22. If within half an hour after the time appointed for the 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 the same day in the next week, at the same time and place, or such other date, time or place as The Board may by not less than five days' notice appoint, and if at such adjourned meeting a quorum is not present within fifteen minutes after the time appointed for holding the meeting the Members present shall be a quorum.
23. The Chairman of TIC shall if present preside as chairman at every general meeting of TIC, and failing him some member of The Board. If there is no such member present within ten minutes after the time appointed for holding the meeting, or every such member is unwilling to act as chairman, the meeting shall choose some Member of TIC present in person to be chairman.
24. The chairman may with the consent of any meeting at which 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 except business which might have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, at least seven days' notice of the

adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

25. Subject to Article 50 (relating to election of the Member Elected Directors to The Board by secret ballot) 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; or
 - (2) by at least five Members present in person or by proxy and entitled to vote; or
 - (3) by any Member or Members present in person or by proxy and representing not less than one tenth of the total voting rights of all the Members having the right to vote at the meeting.
26. Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, an entry to that effect in the minute book shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.
27. If a poll is duly demanded, it shall be taken either forthwith or at such other time and place and in such manner (including by means of posted polling papers) as the Chairman directs, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
28. No poll shall be demanded or taken on the election of a chairman of a meeting or on any question of adjournment of a meeting.
29. 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 the poll is demanded shall be entitled to a further or casting vote, except in the election of Directors of TIC.
30. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the poll is taken.

31. Every Ordinary Member shall whether on a show of hands on a ballot or on a poll have two votes and every Affiliate Member shall have one vote. An Association Member shall not have any vote.
32. 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 other 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, on a poll, vote by proxy.
33. No Member shall be entitled to vote at any general meeting unless all moneys payable by him to TIC in his capacity as Member and which have been outstanding for more than 1 month after they fell due for payment have been paid.
34. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
35. On a poll votes may be given either personally or by proxy.
36. The instrument appointing a proxy shall be in writing.
 - (1) It shall:-
 - (a) in the case of a sole proprietorship be signed by the sole proprietor or by his attorney duly authorised;
 - (b) in the case of a partnership be signed by all of the partners or by their respective attorneys duly authorised;
 - (c) in the case of a company shall be under the seal of the company and be signed by any of its directors duly authorised or by an attorney duly authorised under the seal of the company; and
 - (d) contain the full and proper names and the Hong Kong Identity Card number of the person signing the proxy form and of the proxy and the specimen signature of the proxy.

(2) The proxy must be the authorized person registered with TIC or one of the two representatives registered with TIC pursuant to Article 42 and such proxy may not represent more than one Member.

37. The instrument appointing a proxy and the power of attorney and original or certified copy of the board resolution pursuant to which the proxy has been executed or other authority, if any, under which it is signed, or a notarially certified copy of that power, resolution or authority shall be deposited at the registered office of TIC or at such other place within Hong Kong as is specified for that purpose in the notice convening the meeting, 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, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

38. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-

“[_____]
I/We _____, of _____,
_____, being a member/members of the
above-named association, hereby appoint
of _____
(the holder of Hong Kong
identity card No. _____), or failing him,
of _____
(the holder of Hong Kong
identity card No. _____), as my/our proxy to vote
for me/us on my/our behalf at the [annual or extraordinary, as
the case may be] general meeting of the association to be held
on the _____ day of _____ 19_____, and at any adjournment
thereof.

Signed this _____ day of _____ 19_____

**Signed _____
(Hong Kong Identity Card
No. _____)

Specimen signature of proxy/ies:-

(Hong Kong Identity Card
No(s).)**

Or, in the case of a company:-

**Seal with the Common Seal)
of)
and signed by)
(the holder of)
Hong Kong identity card)
No.)

Specimen Signature of proxy/ies:-

(Hong Kong Identity Card
No(s).)** ”

This form is to be signed by a sole proprietor; or by all partners of the firm or, in the case of a company, shall be sealed with the seal of the company and signed by a director duly authorised by resolution or by their respective attorneys duly authorised by power of attorney and in each case the Hong Kong identity card number of the person signing the form must be inserted.

The specimen signatures and identity card numbers of the proxy/ies must appear on the proxy form.

39. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-

“[]
I/We , of
, being a member/members of the
above-named association, hereby appoint
of
, or failing him,

of _____, as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be] general meeting of the association, to be held on the _____ day of _____ 19_____, and at any adjournment thereof.

Signed this _____ day of _____ 19_____

**Signed _____
(Hong Kong Identity Card
No. _____)

Specimen signature of proxy/ies:-

(Hong Kong Identity Card
No(s). _____)**

Or, in the case of a company:-

**Seal with the Common Seal _____)
of _____)
and signed by _____)
(the holder of _____)
Hong Kong identity card _____)
No. _____)

Specimen Signature of proxy/ies:-

(Hong Kong Identity Card
No(s). _____)**

This form is to be used *[in favour of/against] the resolution.

Unless otherwise instructed, the proxy will vote as he thinks fit.

* Strike out whichever is not desired.* ”

This form is to be signed by a sole proprietor; or by all partners of the firm or, in the case of a company, shall be sealed with the seal of the company and signed by a director duly authorised by resolution or by their respective attorneys duly authorised by power of attorney and in each case the Hong Kong identity card number of the person signing the form must be inserted.

The specimen signatures and identity card numbers of the proxy/ies must appear on the proxy form.

40. A proxy shall be entitled to vote at the meeting at which the proxy is to be used and may demand or join in demanding a poll.
41. 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, revocation or transfer as aforesaid shall have been received by TIC at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
42. (1) (a) Any corporation which is a Member of TIC may by resolution of its directors or other governing body register two persons, one of whom must be a director and the other a director or manager of the Member, to act as its representative at any meeting of TIC not less than 30 days in advance of any general meeting and to present an original board resolution of their appointments or a copy thereof duly certified by a solicitor or Justice of Peace as a true copy of the original to TIC for registration within 7 days of such appointment. The authorized person of the Member registered with TIC or one of the two persons so authorized shall be entitled to vote and exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of TIC. However, the representative may not represent more than one Member.

(b) In the case of a corporation which is a member of TIC for less than 30 days at the date of a general meeting or there is a sale of the corporation within 30 days of the date of a general meeting the authorized person that the Member has registered pursuant to Article 49 is permitted to vote in that general meeting.

- (2) (a) In the case of a sole proprietorship or a partnership, the Member may register in writing two persons, one of whom must be the sole proprietor or a partner and the other a manager or partner, to act as its representative at any meeting of TIC not less than 30 days in advance of any general meeting. The authorized person of the Member registered with TIC or one of the two persons so authorized shall be entitled to vote and exercise the same powers on behalf of the Member which he represents. The representative may not represent more than one Member.
 - (b) In the case of a sole proprietorship or a partnership who is a member of TIC for less than 30 days at the date of a general meeting or there is a sale of the company, the authorized person that the Member has registered pursuant to Article 49 is permitted to vote in that general meeting.
- (3) Notification of any change to the authorized person of the Member registered with TIC as referred to in paragraphs (1) and (2) shall be in the form of a Board Resolution, as in the case of a corporation, or an Authorization Letter, as in the case of a sole proprietorship and partnership, and sent to the TIC office at least 7 days before a general meeting.
- (4) Members who have not registered pursuant to the above clauses are not entitled to vote at a general meeting.

THE BOARD

43. (1) TIC shall have a Board who may pay all costs and expenses incurred in promoting and registering TIC, who shall manage the affairs, business and property of TIC and shall exercise all such powers of TIC as are not by The Ordinance or these Articles vested in any other body.
- (2) The Board may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by The Board, to be the attorney or attorneys of TIC for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by The Board under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as The Board may think fit and may also authorise any such attorney to delegate all

or any of the powers, authorities and discretions vested in him.

- (3) All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to TIC, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be by one signatory from among the category A signatories together with one signatory from among the category B signatories or, in the absence of all category B signatories by 3 signatories from category A, one of whom must be the Chairman or a Deputy Chairman. Category A signatories shall consist of the Chairman, the Deputy Chairman or Chairmen and such other members of The Board as The Board shall appoint for that purpose. Category B signatories shall consist of The Honorary Treasurer, The Honorary Secretary and the Executive Director of TIC.
44. Without prejudice to the generality of Article 43, The Board shall be responsible for:-
- (1) the administration of TIC, the appointment and control of staff, the leasing and utilisation of premises and the raising investment and expenditure of funds for the purposes of TIC;
 - (2) the representation of TIC in its overall dealings with Government, other authorities and the general public;
 - (3) the approval and promulgation of any Code of Conduct, rules, by-laws and Directives to which members of TIC are from time to time subject, and of any additions to or modifications of any such Code of Conduct, rules, by-laws and Directives;
 - (4) Collection of The Fund Levy and Council Levy referred to in Article 7 and the carrying out of such other duties under Part III A of the Travel Agents Ordinance.
45. (1) The Board shall consist of
- (a) the Chairman who shall be elected pursuant to Article 46;
 - (b) Subject to Article 47(1) every Association Member's Chairman or its representative appointed pursuant to Article 47(2)(a);

- (c) Subject to Article 50(2)(f), the number of Elected Directors shall correspond to the number of the Association Members; and
 - (d) Up to eight independent directors who shall not be the members of the travel trade. Half of such independent directors shall be appointed by the Secretary for Commerce and Economic Development. The other half of the independent directors shall be persons of integrity who are to be recommended by the TIC Board and appointed by the Secretary for Commerce and Economic Development. The Board shall recommend the term of the tenure of each of the independent directors to the Secretary for Commerce and Economic Development who shall fix the term of tenure of each independent director. Each of the independent directors may be re-appointed by the Secretary for Commerce and Economic Development to serve as independent director for such further terms the Secretary for Commerce and Economic Development sees fit. The number of independent directors may at any time and from time to time be increased by The Board with the written approval of the Secretary for Commerce and Economic Development and in case there is an odd number of independent directors The Board shall determine the final allocation of the numbers of independent directors amongst the different categories of independent directors pending appointment of an even number of independent directors.
 - (e) No alternate shall be appointed for any member of The Board.
- (2)
- (a) A Director (except the Chairman and the independent directors) may not serve on The Board for more than eight consecutive years. The 8-year time limit shall take effect at the conclusion of the 2006 Annual General Meeting. The years of service that a Director has served before the 2006 Annual General Meeting shall not be reckoned towards the 8-year time limit. The time of service shall be calculated on a yearly basis, with “one year” meaning the period between two TIC Annual General Meetings and not a calendar year.
 - (b) At the end of the 8-year time limit, the Director concerned shall step down for at least one year as defined in paragraph (a) before he is eligible for election or appointment as a

Director again. He shall otherwise be considered to have continuously served on The Board.

- (c) A Director who vacates his office in between any successive Annual General Meetings, shall be deemed to have served to the end of the later Annual General Meeting for the purposes of reckoning the 8-year time limit, including with respect to any Elected Directors and an Association Member's Chairman or its representative appointed pursuant to Article 47(2)(a).
- (3) (a) The Board may have an Honorary Advisor who shall be the immediate past chairman (unless he shall have vacated his office as Chairman of The Board on any of the grounds set out in Article 56(1), (2), (3), (5), (6), (7), (9) or (10) or shall have resigned as the Chairman pursuant to Article 56(4) on or because of any such grounds).
- (b) The Honorary Advisor shall attend Board meetings as an observer and shall not have the right to vote. He shall hold office (subject to the provision below) until the next Chairman becomes the immediate past chairman.
- (c) The office of the Honorary Advisor shall be vacated:
 - (i) if he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (ii) if he becomes of unsound mind; or
 - (iii) if by notice in writing to TIC he resigns his office; or
 - (iv) if The Board resolves by not less than 75% of the total votes of the full Board to remove him as Honorary Advisor.
- (4) The provisions of Articles 45 to 53 (both inclusive) shall not be altered except with the written approval of the Secretary for Commerce and Economic Development.

CHAIRMAN

- 46. (1) TIC shall have a Chairman who shall preside at all General Meetings of TIC and at all meetings of The Board.

- (2) (a) To be eligible for nomination and election as Chairman, a person must be a member of The Board of TIC other than an Independent Director.
- (b) An Association Member's Chairman holding the qualification referred to in paragraph (a) above shall be eligible for nomination and election as Chairman provided that upon his election he shall resign as chairman of such Association Member.
- (3) The Chairman shall be nominated and elected as follows:-
- (a) All Members of The Board shall be entitled to nominate other Members of The Board (other than those Independent Directors) for the office of Chairman.
- (b) Each candidate shall be nominated by three Directors. Each Director shall be entitled to nominate one candidate only.
- (c) The names of the candidates for election as Chairman shall be submitted to the Chairman of the Election Committee (to be set up and supervised by The Board) two business days before the day of the meeting at which election of Chairman shall be conducted. Such meeting shall be by secret ballot and subject to the provisions stipulated below by a majority vote of the members present at the time of voting elect one of such candidates to be the Chairman. In the event the first vote cannot reach a majority, the following procedures shall be followed:-
- (i) In the event there are two candidates, The Board shall vote again. If after three rounds of voting, there is still no candidate receiving the votes of the majority of the members present, the candidate receiving the most number of votes in his favour at the third round shall be elected Chairman. Should there be a tie at the third round, the two candidates shall draw lots to determine who shall be the Chairman.
- (ii) In the event there are more than two candidates, the following procedure shall be followed in order that two candidates shall remain:
- the candidate with the least votes in favour of him shall be eliminated. If there is more than one

candidate receiving the least number of votes, these candidates shall draw lots to determine who shall be eliminated. The Board shall vote again. If after three rounds of voting, there is still no candidate receiving the votes of the majority of the members present, the candidate receiving the most number of votes in his favour at the third round will be elected Chairman. Should there be a tie, the two candidates shall draw lots to determine who shall be the Chairman.

- if all the candidates receive the same votes, The Board shall vote until two candidates remain. If however after three rounds of voting, all the candidates still receive the same votes, these candidates shall draw lots to determine which two candidates shall remain. The Board shall then vote again and the candidate receiving the most number of votes in his favour shall be elected Chairman. Should there be a tie, the two candidates shall draw lots to determine who shall be the Chairman.
 - (d) The detailed rules and the procedures for the Chairman and Directors' elections shall be decided by The Board from time to time.
 - (e) The meeting referred to in sub-paragraph (3)(c) shall be held not earlier than 7 business days but not later than 14 business days after the third Annual General Meeting following the outgoing Chairman's assumption of office or, if the vacancy arises for some reason other than the expiration of the outgoing Chairman's period of office, it shall be held not more than 30 days after the date on which the vacancy in the position arose.
 - (f) The person so appointed Chairman shall assume the office of Chairman either when the period of the office of the outgoing Chairman expires or, if at the date of his election there is for any reason no Chairman, at the date of such election.
- (4) The duties of the Chairman shall include representing TIC, directing the various officers of The Board in their work, taking overall charge of the work of TIC and presiding over all Board meetings.

- (5) If the office of Chairman is vacated The Board shall appoint one of the persons who were acting as Deputy Chairmen of TIC when the Chairman vacated his office to be acting-Chairman (notwithstanding that he may not have the qualifications set out in paragraph 3(a)) and he shall hold office as acting-Chairman until a new Chairman is elected on the terms of this Article as if he were the Chairman.
- (6) Subject to Article 57, the Chairman shall hold office until the conclusion of The Board meeting which shall be held not earlier than 7 business days but not later than 14 business days after the third Annual General Meeting following his assumption of the office of Chairman, and he shall hold office for not more than two consecutive terms.
47. (1) (a) Each Association Member's Chairman must be an Ordinary Member in accordance with Article 49 and, except when such chairman is the chief executive of the Ordinary Member, must have the authority of such chief executive to become the chairman of the Association Member.
- (b) Subject to Article 46(2)(b), an Association Member's Chairman shall not while serving as such, be eligible to serve as Chairman of TIC nor shall he be the Chairman, Deputy Chairman, Honorary Treasurer or Honorary Secretary of any other Association Member. In the event he becomes the Chairman or an Elected Director of The Board, he shall cease to be Chairman of the respective Association Member. The respective Association Member shall be represented on The Board by its new Chairman or its representative appointed pursuant to sub-paragraph (2)(a).
- (2) (a) If the Chairman of an Association Member ceases to be a member of The Board whether pursuant to Article 56 or otherwise, or if the Association Member's Chairman shall, for any reason decide that he will not physically serve on The Board, or he is not eligible to serve on The Board due to the 8-year time limit as stipulated in Article 45(2), The Association of which he is the Chairman shall appoint some other person who meets the criteria set out in Article 47(1)(a) from its board of directors or other governing body to be its representative on The Board and such person shall for all purposes be its Association Member's Chairman under Article 45(1)(b).

- (b) In the event an Elected Director of The Board becomes the Chairman of an Association Member, he shall cease to be an Elected Director of The Board. Any vacancy occurring as a consequence shall be filled pursuant to Article 50(2)(e).
 - (c) In the event an Elected Director of The Board becomes the Chairman of The Board, his office as an Elected Director shall be filled pursuant to Article 50(2)(e).
48. Each of the independent directors of integrity who are recommended by the TIC Board and appointed by the Secretary for Commerce and Economic Development under Article 45(1)(e) shall remain a member of The Board until he shall be removed by the Secretary for Commerce and Economic Development or when his term of tenure of office fixed by the Secretary for Commerce and Economic Development expires.
49. For the purpose of Articles 4(1)(b)(vi)(bb), 47(1)(a), 50(1)(a) and (2)(b), the chief executive or the executive director of the Ordinary Member who is registered with TIC as the authorized person of the company shall be deemed to be the Ordinary Member. For the purpose of Article 50(2)(b), the person who is registered with TIC as the authorized person of the company shall be deemed to be the Affiliate Member.

ELECTED DIRECTORS

50. (1) To be eligible for nomination and election as an Elected Director, a person must:-
- (a) be deemed an Ordinary Member in accordance with Article 49;
 - (b) be a specialist or an expert in a special area within the travel industry who can contribute his expertise to the benefit of TIC; and
 - (c) be able to serve the full term of two years upon his election without violating the 8-year time limit as stipulated in Article 45(2).
- (2) Elected Directors shall be nominated and elected to The Board as follows:-
- (a) The board of directors or other governing body of each Association Member, may each nominate up to three persons

who meet the criteria set out in paragraph (1) from amongst the Ordinary Members of TIC and shall inform the Secretary in writing of the names of their candidates. The nomination shall be supported by a resolution of the board of directors or other governing body of the Association Member.

- (b) Ordinary and Affiliate Members of TIC may each nominate one person who meets the criteria set out in paragraph (1) from amongst the Ordinary Members of TIC. A nomination shall be subscribed by 30 Ordinary or Affiliate Members (other than the candidate himself) of TIC. A subscriber must be the authorized person of the Member registered with TIC pursuant to Article 49. A candidate shall submit a nomination form prescribed by TIC and duly signed by the subscribers for his nomination to the Secretary within the nomination period specified by The Board.
- (c) Not less than 21 days prior to the date of the Annual General Meeting of TIC the Secretary shall send to all Members a list containing the names of the candidates for election to The Board and shall inform the Members in writing at the same time:-
 - (i) the number of vacancies among the Elected Directors (which shall be about one half of the number of Association Members due to the sequential rotation of about one half of the number of the Elected Directors) are to be filled by the nominated Ordinary Members duly elected at the Annual General Meeting;
 - (ii) the number of such candidates for which each Member may vote shall be not more than 2; and
 - (iii) that election of the persons to fill vacancies which are to be filled by the Members will take place by secret ballot held at the Annual General Meeting.
- (d) The candidates receiving the most votes (according to the number of vacancies to be filled by the Members) shall be elected to The Board and at the Annual General Meeting, the chairman of the meeting will announce the results of the election.

- (e) Subject to paragraph (4)(a) and to Article 57(2) a Member Elected Director shall hold office until the conclusion of the second Annual General Meeting after the annual general meeting at which he is elected.
- (f)
 - (i) Any vacancy occurring among the Elected Directors during the period between the holding of elections as set out in paragraph (2) shall be filled by The Board from among the unsuccessful candidates who stood at the previous election. Such candidates shall be appointed in descending order according to the number of votes respectively cast by the Members in their favour at the previous election, subject to the candidate confirming to The Board his willingness to be appointed and to his not already serving on The Board. If the votes cast were equal The Board shall determine the matter by lot.
 - (ii) A director who fills a vacancy pursuant to paragraph (i) above for less than one year shall be counted as having served for one full year. One who fills such a vacancy for more than one year but less than two years shall be counted as having served for two full years.
 - (iii) If there is no candidate to fill up a vacancy, The Board may at its discretion convene an extraordinary general meeting for the purpose of electing a director to fill up the vacancy.
- (3)
 - (a) Any person who is elected to fill a vacancy referred to in paragraph (2)(e) shall retire on the date on which the office of the Elected Directors in whose place he is elected would have expired.
 - (b) In the event of a tie occurring in the numbers of votes cast for candidates referred to in paragraph (2)(c), the matter shall be determined by lot.

DEPUTY CHAIRMEN

51. TIC may have up to two Deputy Chairmen each of whom shall be a specialist or expert in the travel industry.

52. (1) At the first Board meeting following the election of the Chairman, The Board may, but shall not be obliged to, elect from among The Board Members by a majority vote of the members present at the time of voting up to 2 persons who are suitably qualified and deemed to be Ordinary Members in accordance with Article 49, to be the Deputy Chairmen of TIC. The persons to fill the positions of the Deputy Chairmen shall be nominated by the Chairman and elected by the Members of The Board.
- (2) Subject to Article 46(6) each Deputy Chairman shall hold office until
- (a) the Chairman's period of office expires; or
 - (b) the Chairman ceases for any other reason to hold such office; or
 - (c) his own period of office on The Board expires; or
 - (d) The Board removes him as Deputy Chairman, whichever first occurs.
53. The two Deputy Chairmen shall assist the Chairman in his work and one of such Deputy Chairmen shall act as the acting-Chairman when the Chairman is absent or the office of Chairman is vacated.

CONDUCT OF BUSINESS

54. (1) The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit and shall adopt standing orders for the proceedings of The Board and directives to members of The Board and Committees. Each member of The Board shall have one vote (except for the Immediate Past Chairman who shall not be entitled to vote and the Deputy Chairmen who shall not have a vote in their capacity as Deputy Chairmen) and questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote, except in the election of the Chairman. In the event only one nomination for appointment to an office has been received, The Board shall declare the nominee elected ipso facto.
- (2) The Chairman or any Deputy Chairman or any four members of The Board (excluding the Immediate Past Chairman) may, and the Secretary on the request of the Chairman or any two members of The Board shall, at any time summon a meeting of The Board.

- (3) The quorum necessary for the transaction of the business of The Board shall be one half of the members of The Board (excluding the Immediate Past Chairman) plus one member present in person. In the event that the number of the members of The Board (excluding the Immediate Past Chairman) shall be an odd number, the quorum shall be the lower whole number nearest the number which is one half of such Board Members, plus one. A resolution or decision of The Board shall be passed by simple majority. A resolution to issue a directive or one which in effect negates or rescinds a previous resolution shall require two-thirds or more of The Board members present (excluding the Immediate Past Chairman) to vote in favour of such resolution. A motion may be circulated to members of The Board in the form of a paper by hand or sent through ordinary mail, facsimile or e-mail or a combination of any such methods and shall be passed by having not less than 75% of the total number of Board members voting in favour of the motion.

COMMITTEES

55. (1) The Board may delegate any of their powers to committees consisting of such member or members of their number and/or other persons as they think fit. Any such committee shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by The Board.
- (2) The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of The Board, so far as the same are applicable and are not superseded by The Board under paragraph (1) above. The convenor of such committee must be a director of The Board; and all recommendations of such committee, save and except those affairs which are in their normal and ordinary course of business, shall be submitted to The Board for approval.
- (3) All acts done by any meeting of The Board or of a committee of The Board, or by any person acting as a member of The Board, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any person acting as aforesaid, or 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 member of The Board.

- (4) The members of The Board and the members of any committee appointed by The Board shall be entitled to be repaid by TIC all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending and returning from meetings of The Board or any such Committee.
 - (5) The Board shall set up a Staff and Finance Committee of The Board, comprising such members of The Board as The Board shall determine.
56. Without prejudice to section 157B of The Ordinance, the office of a member of The Board (including the office of Chairman but excluding the Independent Directors) shall be vacated:-
- (1) if such member becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (2) if such member becomes of unsound mind; or
 - (3) if the Ordinary Member by virtue of which he is deemed to be a Member of TIC ceases to be an Ordinary Member or a member of an Association Member; or
 - (4) if by notice in writing to TIC such member resigns his office; or
 - (5) if The Ordinance, or any order made thereunder, prohibits such member from being a director of a company; or
 - (6) subject to paragraph (8) in the case of the Chairman, if such member ceases to fulfil the qualifications on which he was appointed or otherwise holds office; or
 - (7) if he is absent from three consecutive meetings of The Board and The Board resolves that his office be vacated; or
 - (8) if in the case of the Chairman he ceases to be the Chief Executive of the Ordinary Member or he ceases to be registered in accordance with Article 49 unless:-
 - (a) before or within seven days following such cessation he indicates in writing to TIC that he wishes to continue in office as Chairman; and

- (b) following such cessation he fulfils the qualifications for appointment as Chairman.
- (9) If all of the other members of The Board shall unanimously resolve to remove such member from The Board provided that in the case of an Association Member's Chairman or its representative who is appointed pursuant to Article 47(2) The Board shall first notify the Association Member or the appointor in writing of their intention to propose the removal of its Association Member's Chairman or representative or appointee, as the case may be.
- (10) A member of The Board, including that of the Chairman but excluding the independent directors, may be impeached or removed by not less than 75% of the total votes of the full Board if his conduct is found to be in contravention of the General Code of Conduct for TIC Board of Directors or otherwise inconsistent with the objectives of TIC during the tenure of office of such Member of The Board.

TRANSITIONAL

57. (1) The members of the Executive Committee of The Association at the date of the incorporation of TIC shall be the first Board of TIC and the chairman of such Executive Committee shall be the first Chairman of TIC. All such members on The Board with the exception of those Association Member's Chairmen whose period of office as such chairmen shall continue past the date of the first Annual General Meeting shall retire at the conclusion of the first Annual General Meeting of TIC which shall be held on a date to be decided but which in any event shall not be later than 1st November 1988.
- (2) Two of the Member Elected Directors who are elected at the first Annual General Meeting shall hold office until the end of the next Annual General Meeting and the other 2 such Member Elected Directors shall hold office until the end of the second Annual General Meeting following their election. The persons who are to remain longer in office shall be those who receive most votes and in the event of a tied vote the matter shall be determined by lot.
- (3) The first Board Elected Directors shall be elected in accordance with Article 50(3)(d).

58. The provisions of Articles 45-53 (both inclusive) relating to the composition of and election to The Board shall be subject to review by The Board and the Government of Hong Kong and to amendment within 2 years of the date of incorporation of TIC.

SECRETARY

59. The Secretary, who is the Executive Director of TIC, shall be appointed by The Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may (subject to terms of any contract between him and TIC) be removed by The Board from that office.

HONORARY SECRETARY

60. (1) At the first Board meeting following the election of the Chairman, The Board shall elect from among their number by a majority vote of the members present at the time of voting by secret ballot a person to be The Honorary Secretary of TIC. The person to fill the position of The Honorary Secretary shall be nominated and elected by the Members of The Board.
- (2) The Honorary Secretary shall hold office until
- (a) the Chairman's period of office expires; or
 - (b) the Chairman ceases for any other reason to hold such office; or
 - (c) his own period of office on The Board expires; or
 - (d) The Board removes him as Honorary Secretary, whichever first occurs.

HONORARY TREASURER

61. (1) At the first Board meeting following the election of the Chairman, The Board shall elect from among their number by a majority vote of the members present at the time of voting a person to be The Honorary Treasurer of TIC. The person to fill the position of The Honorary Treasurer shall be nominated by and elected by the Members of The Board.

- (2) The Honorary Treasurer shall hold such office until
 - (a) the Chairman's period of office expires; or
 - (b) the Chairman ceases for any other reason to hold such office; or
 - (c) his own period of office on The Board expires; or
 - (d) The Board removes him as Honorary Treasurer, whichever first occurs.
 - (3) Subject to the direction of The Board, The Honorary Treasurer shall have overall responsibility for the conduct of all financial matters.
62. If in the opinion of The Board the accounts of any Member are unsatisfactory or any Member shall have failed to comply with the provisions of Article 9 The Board shall decide whether or not the membership of that Member shall be terminated, or whether that Member shall be required to provide further finance or a bond, guarantee or other security. If the Member shall fail to comply with any requirements of The Board with regard to the provision of further finance, a bond, guarantee or other security or The Board shall decide to terminate his membership, he shall thereupon cease to be a Member of TIC.

MINUTES

63. The Board shall ensure that minutes are kept recording:-
- (1) the members of The Board present at each meeting of The Board and of any committee of The Board.
 - (2) all resolution and proceedings at all meetings of TIC and of The Board and of any committee of The Board.

THE SEAL

64. The Seal shall not be affixed to any instrument except by the authority of a resolution of The Board or of a committee of The Board and in the presence of at least one member of The Board and the Secretary, both of whom shall sign the instrument.

SYMBOL

65. Members of TIC may print the symbol of TIC on their letterheads and literature.

ACCOUNTS

66. The Board shall cause to be kept such books of account as are necessary to exhibit and explain the transactions and financial position of TIC and to give a true and fair view of the state of its affairs, and in particular (but without limiting the generality of the foregoing provision) proper books of account with respect to:-
- (1) all sums of money received and expended by TIC and the matters in respect of which such receipt and expenditure takes place;
 - (2) all sales and purchases of goods by TIC; and
 - (3) the assets and liabilities of TIC.
67. The books of account shall be kept at the office or (subject to The Ordinance) at such other place as The Board thinks fit, and shall at all times be open to inspection by the members of The Board. No other member of TIC shall have any right of inspecting any account or book or document of TIC except as conferred by The Ordinance or authorised by The Board or by a general meeting.
68. The Board shall from time to time in accordance with the requirements of The Ordinance to be prepared and to be laid before TIC in general meeting such income and expenditure accounts, balance sheets and report as shall be requisite.
69. A copy of every balance sheet (including every document required by law to be annexed thereto) and of the reports of The Board and of the Auditors shall, at least twenty one days before the general meeting convened to consider those documents, be delivered or sent by post to every Member of TIC of whose address it is aware.

AUDIT

70. Auditors of TIC shall be appointed and their duties regulated in accordance with The Ordinance.

71. The Auditors' report to the Members made pursuant to the statutory provisions as to audit shall be read before TIC in general meeting and shall be open to inspection by any Member, who shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and Auditors' Report in accordance with The Ordinance.

NOTICES

72. Any notice or document may be served by TIC on any Member either personally or by sending it through the post in a prepaid letter addressed to him at his registered address, by fax to his fax number(s) registered with TIC or by email to his email address(es) registered with TIC.
73. All Members described in The Register by an address within Hong Kong shall be entitled to receive notices from TIC.
74. Any notice or other document, if served by post, shall be deemed to have been served on the day following that on which the letter containing it was posted, and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.
75. Any notice or document delivered or sent by post to, or left at the registered address of, any Member in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt, and whether or not TIC has notice of his death or bankruptcy, be deemed to have been duly served on such Member unless his name shall, at the time when the notice or document is deemed to have been served, have been removed from The Register.

INDEMNIFICATION

76. Subject to section 165 of The Ordinance, every Member of The Board, any member of any committee of The Board, and every Officer of TIC for the time being of TIC shall be indemnified out of the funds of TIC against all liabilities and obligations which they, or any of them, may incur in good faith in the proper and reasonable performance or purported performance of their duties in relation to TIC other than any liability which attaches to them by law in respect of any negligence, default, breach of duty or breach of trust. Further they shall be indemnified from the funds of TIC against any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgement is given in their favour or in which they are acquitted or in connection with any application under section 358 of The

Ordinance in which relief is granted to them by the Court: Provided that none of the funds of TIC shall be applied in payment of the whole or part of any fine or penalty imposed upon any person by sentence or order of a Court of Justice.

77. A resolution for the voluntary winding up of the Company shall not be valid or effective unless the Secretary for Commerce and Economic Development shall have given his written approval to the passing of such resolution. This Article 77 shall not be amended or revoked except with the written approval of the Secretary for Commerce and Economic Development.
78. The provisions of Clause 8 of the Memorandum of Association relating to the winding-up or dissolution of the Company shall have effect and be observed as if the same were repeated in these Articles.

Names, Addresses and Descriptions of Subscribers

For and on behalf of
HONG KONG ASSOCIATION OF CHINA TRAVEL ORGANISERS LIMITED
By (Sd.) Tam Kai On (譚啓安)
Tam Kai On – Director
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Hong Kong
(Corporate Body)

For and on behalf of
HONG KONG ASSOCIATION OF TRAVEL AGENTS LIMITED
By (Sd.) Ian Stewart
Ian Stewart – Chairman
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Hong Kong
(Corporate Body)

For and on behalf of
HONGKONG TAIWAN TOURIST OPERATORS ASSOCIATION LIMITED
By (Sd.) Wang Chung Shan (王重山)
Wang Chung Shan – Chairman
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For and on behalf of
**INTERNATIONAL CHINESE TOURIST ASSOCIATION
LIMITED**

By (Sd.) Peggy Shum (沈碧琪)
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For and on behalf of
SOCIETY OF IATA PASSENGER AGENTS LIMITED

By (Sd.) Wong Ka Lun, Alan
Wong Ka Lun, Alan – Chairman
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(Corporate Body)

For and on behalf of
THE FEDERATION OF HONG KONG TRAVELLERS LIMITED

By (Sd.) Tse Hon Chung (謝漢忠)
Tse Hon Chung – Chairman
203 Hung Tak Building
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Hong Kong
(Corporate Body)

DATED this 27th day of July 1988

WITNESS to the above Signatures:- (Sd.) SALLY ANNE HAYES
Solicitor, Hong Kong
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Chater Road
Hong Kong