

THE COMPANIES ORDINANCE (Chapter 32)

Company Limited by Guarantee
And Not Having a Share Capital

MEMORANDUM OF ASSOCIATION

OF

HONG KONG SAILING FEDERATION

(香港帆船運動總會)

1. The name of the Federation shall be "HONG KONG SAILING FEDERATION (香港帆船運動總會)".

2. The Registered Office of the Federation will be situate in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong").

3. The objects for which the Federation is established are: -

- (a) To take over all the assets and liabilities of the present unincorporated body known as "Hong Kong Yacht Racing Association".
- (b) To promote the sport of sailing in all its branches, whether under sail or under power, including related water-borne activities (hereinafter referred to as "the sport of sailing").
- (c) To accept, if offered, appointment, and in such event to act, as the national, local or other authority for the sport of sailing.
- (d) To select teams and/or individuals for national and international competitions and where appropriate and so authorized to represent Hong Kong and to control the participation of the teams in any national and international competition.
- (e) To examine, study, investigate and consider and report on all matters affecting the sport of sailing and any person interested

therein or associated therewith and to collect and distribute information, statistics opinion and reports thereon.

- (f) To represent and protect the interests of any club, association, society, committee, body or person interested in or associated with the sport of sailing.
- (g) To encourage and co-ordinate the holding of regattas, races and competitions of all sorts, to create and stimulate interest in and publicise the sport of sailing, to convene, arrange and hold exhibitions, shows, displays, meetings, conferences and discussions, and to provide prizes, bursaries, grants and awards for competitors and others.
- (h) To purchase, take on lease, exchange, hire or otherwise acquire any land, buildings or other property necessary or convenient for the purposes of the Federation, and to construct, maintain, pull down and alter any buildings or works necessary or convenient for the purposes of the Federation.
- (i) To sell, improve, manage, develop, lease, mortgage, pledge, dispose of or otherwise deal with the property and monies of the Federation with a view to furtherance of its objects.
- (j) To invest and deal with the monies of the Federation not immediately required to be expended in such manner as from time to time shall seem expedient.
- (k) To borrow or raise money for the purposes of the Federation on such terms and on such security as may be thought fit.

4. The Federation claims jurisdiction over all yachting and yacht racing in Hong Kong sponsored and/or conducted by its members and is the National Authority for Hong Kong for the purpose of the International Sailing Federation rules.

5. The Federation shall be affiliated to the Sports Federation and Olympic Committee of Hong Kong, China and to the International Sailing Federation.

6. The income and property of the Federation whencesoever derived, shall be applied solely towards the promotion of the objects of the Federation 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 the Federation provided that nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Federation, or to any member of the Federation not being a member of the Council or Governing Body of the Federation, in return for any service actually rendered to the Federation, nor prevent the payment of interest at a rate per annum not exceeding two per cent (2%) above the prime rate prescribed for the time being by The Hongkong And Shanghai Banking Corporation Limited for Hong Kong dollar loans or reasonable and proper rent for premises demised or let by any member to the Federation; but so that no member of the Council or Governing Body of the Federation shall be appointed to any salaried office of the Federation, or any office of the Federation paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Federation to any member of the Council or Governing Body except repayment of out-of-pocket expenses and interest at the rate aforesaid on money lent or reasonable and proper rent for premises demised or let to the Federation provided that the provision last aforesaid shall not apply to any payment to any company of which a member of the Council or Governing Body or any Sub-Committee may be a member and in which such member shall not hold more than one-hundredth (1/100th) part of the capital, and such member should not be bound to account for any share of profits he may receive in respect of any such payment.

7. No additions, alterations or amendments shall be made to or in the Memorandum or Articles of Association for the time being in force, unless the same shall have been previously submitted to and, approved in writing by the Registrar of Companies.

8. The sixth and seventh paragraphs of this Memorandum contain conditions on which a licence is granted in pursuance of Section 21 of the Companies Ordinance, Chapter 32.

9. The liability of the members is limited.

10. Every member of the Federation undertakes to contribute to the assets of the Federation, in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Federation contracted before the time at which he ceases to be a member, and of the costs, charges and expenses of winding-up the Federation, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding ten dollars.

11. If upon the winding up or dissolution of the Federation there remains, after the satisfaction of all its debts and liabilities, any property

whatsoever, the same shall not be paid to or distributed among the members of the Federation but if and so far as effect can be given to the next provision shall be given or transferred to some other institution or institutions having objects similar to the objects of the Federation and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Federation under or by virtue of paragraph 4 hereof, such institution or institutions to be determined by the members of the Federation at or before the time of dissolution, or in default thereof by a Judge of the High Court of the Hong Kong Special Administrative Region having jurisdiction in regard to charitable funds, and if and so far as effect cannot be given to such provision then to some charitable object or objects.

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