SPECIAL COLUMN – 5TH PROGRESS REPORT BY
TASK FORCE ON REVIEW OF M&A OF HKDA

Dr Century Tsang

The Council and the Task Force on Review of M&A of HKDA would like to express our appreciation towards members’ support for our Survey on the Proposed Amendment to HKDA M&A conducted in early January 2019. By the reply deadline of 21 January 2019, a total of 328 returned questionnaires were received. Please find the results of the survey which are appended to this progress report.

Based on the survey findings, we have finalized the draft of the new articles. As announced earlier, a briefing session open to all HKDA members for elaboration on the proposed amendments to the M&A will take place when the draft is drawn up. In this regard, members are cordially invited to take part in the briefing session scheduled for 16 May 2019 with detailed arrangement below. During the session, we will give elaboration on the proposed changes. Members are most welcome to grasp this valuable opportunity to raise their enquiries over the draft prior to the holding of the Extraordinary General Meeting (EGM) on 21 May 2019 at which a special resolution will be moved for the passage of the proposed amendment to the HKDA M&A.

Briefing Session for the Proposed Amendment to HKDA M&A

Date: 16 May 2019, Thur
Time: 6:30 pm – 7:00 pm Registration
5:00 pm – 7:30 pm Introductory briefing
7:30 pm – 9:30 pm Briefing with presence of a representative from Haldanes Solicitors and Notaries
9:30 pm – 9:45 pm Q&A session
Conclusion
Venue: Room 202, 2/F Duke of Windsor Social Service Building, 15 Hennessy Road, Wanchai

The existing M&A of HKDA Ltd is in force for 24 years since March 1995. It’s high time for us to review the articles to keep it aligned with the latest and foreseeable long-term development needs of the Association.

Based on our planned schedule, members should have received the EGM documents (with the flyer for the briefing session and the draft new articles included) round about 26 April 2019. As stipulated by section 564 of the Companies Ordinance, a special resolution of the members (or of a class of members) of a company means a resolution that is passed by a majority of at least 75%. A resolution passed on a poll taken at a general meeting is passed by a majority of at least 75% if it is passed by members representing at least 75% of the total voting rights of all the members who (being entitled to do so) vote in person or by proxy on the resolution.

Your participation in the EGM is indispensable to make this historical move a success!
Findings of the Survey on the Proposed Amendment to HKDA M&A conducted in January 2019

By the deadline of 21 January 2019, 328 returned questionnaires were collected.

<table>
<thead>
<tr>
<th>Question 1</th>
<th>Please indicate the mechanism you prefer for filling vacancy arising out of whatever reasons (office termination, casual vacancy or resignation).</th>
</tr>
</thead>
</table>
| **Rationales:** | 1. For clarity  
2. Articles 56(a) and 56(h) of the existing HKDA M&A stipulate that the election of the Officers (refer to President, Vice-President, Honorary Treasurer, Honorary Secretary as defined under article 49(a)) and the Council Members shall be held at the Annual General Meeting (AGM) of the Association. Such specification may pose administrative and operational restrictions to the HKDA Council particularly when more than one Officers/ Council Members resigned from their positions. |
| **Options** | The HKDA Council to decide on whether the vacancy will be filled up by appointment or election at an extraordinary general meeting (EGM) or at the following AGM. |
| **Number of replies opted for respective options** | 85 | 36 | 205 |
| **Remark:** | invalid indication - 1  
no indication - 1  
**Total valid replies:** 326 |

<table>
<thead>
<tr>
<th>Question 2</th>
<th>Please indicate whether you agree to add 2 Councillor positions [See notes below]</th>
</tr>
</thead>
</table>
| **Rationales:** | 1. To correspond with the increasing size of membership pool  
2. To maintain the HKDA Council composition in odd number |
| **Options** | Agree  
Disagree |
| **Number of replies opted for respective options** | 294 | 32 |
| **Remark:** | no indication - 2  
**Total valid replies:** 326 |

<table>
<thead>
<tr>
<th>Question 3</th>
<th>Please indicate whether you agree to limit the tenure of office of President position to not more than two consecutive two-year terms.</th>
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<tbody>
<tr>
<td><strong>Rationale:</strong></td>
<td>To encourage members’ participation in the profession’s development by taking up the top leading role of the Association and bringing about new inspirations</td>
</tr>
</tbody>
</table>
| **Options** | Agree  
Disagree |
| **Number of replies opted for respective options** | 309 | 18 |
| **Remark:** | no indication - 1  
**Total valid replies:** 327 |
Question 4
Please indicate whether you agree that 20 voting members present in person shall constitute a quorum at a general meeting.

Rationales:
1. The existing Article 69 specifies that “Voting members being not less than 50 in number present shall be a quorum for all general meetings”. According to the past experience, it is not uncommon to incur extra administrative cost for holding adjourned meeting due to insufficient quorum when general proxy or specific proxy voting system was adopted.
2. It is anticipated that quorum meeting will become an even greater challenge upon implementation of postal ballot if quorum requirement is not adjusted correspondingly.

<table>
<thead>
<tr>
<th>Agree</th>
<th>208</th>
</tr>
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<tbody>
<tr>
<td>Disagree</td>
<td>117</td>
</tr>
</tbody>
</table>

Remark: no indication - 3
Total valid replies: 325

Notes:
1. The current composition of HKDA Council (11 Members) consists of: 1 President, 1 Vice-President, 1 Honorary Treasurer and 1 Honorary Secretary (collectively “Executives” or “Office Bearers”), 6 Council Members and 1 Immediate Past President.
2. For clarity, in the new Articles of Association, “Council Members” will be renamed as “Councillors”. If 2 more Councillors are to be added, HKDA Council will be composed of 13 members.