

SWISS CHINESE CHAMBER OF COMMERCE CHINA ARTICLES OF ASSOCIATION

("National Articles")

Last modified by resolution of the National General Assembly of March 27, 2015.

ARTICLE 1 NAME, SEAT, BUSINESS YEAR

- (1) This organization shall be called in Chinese "Chinese Swiss Chamber of Commerce" or "Zhong Guo Rui Shi Shang Hui" and shall be called in English "Swiss Chinese Chamber of Commerce" or "SwissCham China" (the "National Chamber").
- (2) The National Chamber is established in accordance with the relevant laws and regulations of People's Republic of China ("China").
- (3) The National Chamber has its registered office at Room 611, Xinyuanli West 19, Chaoyang District, Beijing 100027, China.
- (4) The business year of the National Chamber is the calendar year, from January 1 to December 31.

ARTICLE 2 OBJECTIVES AND ACTIVITIES OF THE NATIONAL CHAMBER

The National Chamber is a non-profit generating, non-governmental organization. The objectives and activities are:

- (a) To promote business relations between companies in Switzerland and China;
- (b) To cooperate with the authorities of both countries with the aim of furthering the common economic interests;
- (c) To represent, support and protect the interests of the members within the boundaries of the relevant laws and the National Articles;
- (d) To provide services to members and non-members engaged in trade, industry and commerce;
- (e) To promote communication and discussion with China's economic and cultural organizations;
- (f) To undertake cultural and recreational activities in the interest of and beneficial to the members.

ARTICLE 3 NATIONAL CHAMBER AND REGIONAL CHAMBERS

SECTION A NATIONAL CHAMBER

- (1) The National Chamber is the umbrella organization encompassing and consisting of the Regional Chambers in China.
- (2) All members of a Regional Chamber are implicitly members of the National Chamber.
- (3) The Board of Directors of the National Chamber (the “National Board”) is composed of members of the Board of Directors of each Regional Chamber.
- (4) The National Board is in charge of the overall guidance and supervision of the Regional Chambers. Amongst others, the National Board shall safeguard the interests of the Regional Chambers on a national level and coordinate and enhance the cooperation between the Regional Chambers.
- (5) The National Chamber may adopt bylaws in compliance with the National Articles (the “National Bylaws”).

SECTION B REGIONAL CHAMBERS

- (1) Each Regional Chamber shall be independent in the organization of daily management and activities for its local members and, unless otherwise stipulated in the National Articles or the National Bylaws, in all membership issues.
- (2) Each Regional Chamber shall have the right to formulate, amend or abolish its bylaws, provided that such bylaws are in compliance with the National Articles and the National Bylaws.

SECTION C FINANCIAL CONTRIBUTIONS

- (1) Each Regional Chamber shall be responsible for its own financials.
- (2) Each Regional Chamber shall make financial contributions to cover the costs and expenses incurred by the National Chamber.
- (3) The amount of contribution of each Regional Chamber shall be determined by the National Board based on the capacity of each Regional Chamber.

ARTICLE 4 REGIONAL AND NATIONAL MEMBERSHIP

SECTION A CATEGORIES

(1) Membership comprises of six (6) categories:

1. Corporate Members (with voting rights);
2. Individual Members (with voting rights);
3. National Associates (without voting rights);
4. Young Professionals (without voting rights);
5. NPO and Journalist Members (without voting rights);
6. National Honorary Members (without voting rights).

(1) Corporate Members with voting rights are commercial establishments such as representative offices, joint ventures, branches or subsidiaries, set up in China in accordance with Chinese law by Swiss nationals or companies, institutes or associations located in Switzerland.

(2) Individual Members with voting rights are Swiss nationals without restrictions or nationals of other countries who are employed by a commercial establishment as defined in Article 4 Section A (2) of the National Articles.

(3) National Associates without voting rights are commercial establishments, institutes or associations or individual persons that do not qualify as Corporate or Individual Member but who wish to be affiliated with the National Chamber to promote Sino-Swiss trade and economic relations and Sino-Swiss friendship.

(4) Young Professionals without voting rights are Swiss nationals or nationals of other countries under the age of 35 and self-employed or unemployed at the time of application of membership.

(5) NPO and Journalist Members without voting rights are (i) not for profit organizations without governmental affiliation set up in China in accordance with Chinese law by companies, institutes or associations located in Switzerland, and (ii) Swiss nationals engaged in the journalism or media sector.

(6) National Honorary Member without voting rights are personalities who have made great contribution to, or earned lasting merits for, the National Chamber or the trade relations between China and Switzerland.

SECTION B COMMENCEMENT OF MEMBERSHIP

(1) The Board of Directors of each Regional Chamber (“Regional Board”) shall, except with respect to National Honorary Membership, decide on the admissibility of an applicant for membership or for a change in classification of membership.

(2) The National General Assembly shall decide on the admissibility of a person for National Honorary Membership upon recommendation by the National Board.

(3) Application of membership for a Regional Chamber shall be submitted to the respective Regional Board in written form.

(4) If the Regional Board approves an application for membership, the applicant shall become a member of such Regional Chamber only upon payment of membership fee as stipulated in Article 5 (3) of the National Articles.

SECTION C TRANSFER AND TERMINATION OF MEMBERSHIP

(1) Membership in a Regional Chamber cannot be transferred to another member.

(2) Membership in a Regional Chamber terminates upon resignation, death or dissolution of that member.

(3) Non-payment of membership fee within three months upon receipt of the second reminder notice is considered a declaration of resignation by such member.

(4) Membership fees or other debts due to the Regional Chamber shall be paid within fourteen (14) days upon termination of membership.

SECTION D EXCLUSION OF MEMBERSHIP

(1) The Regional Board may exclude a member by simple majority of the votes on important grounds. Important grounds are, in particular:

(a) Any behavior detrimental to the reputation or interest of the National Chamber or Regional Chamber.

(b) Any behavior of a member that aggrieves any other member of the Regional Chamber purposely in the light of adequate evidence.

(c) Any dishonorable conduct of a member.

(2) Any member of a Regional Chamber with voting right may file a motion to the Regional Board requesting to exclude a member on important grounds.

(3) Exclusion does not entitle such former member to any reimbursement of membership fee.

ARTICLE 5 RIGHTS AND OBLIGATIONS OF MEMBERS OF THE NATIONAL CHAMBER

(1) Each member has the right to participate in the General Meetings of the National Chamber (the “National General Assembly”).

(2) Each member with voting rights has one vote in the National General Assembly. Corporate members shall vote through representatives. Members shall only have voting rights if their membership fees are paid for the past year(s) and for the current year in full.

(3) Each member shall pay membership fees to the respective Regional Chamber. The amount of the yearly membership fee shall be approved by the National General Assembly and notified to the members. National Honorary Members are not required to pay membership fees.

ARTICLE 6 MEETING OF THE NATIONAL CHAMBER (“NATIONAL GENERAL ASSEMBLY”)

SECTION A ORDINARY AND EXTRAORDINARY NATIONAL GENERAL ASSEMBLIES

(1) The National General Assembly is the supreme body of the National Chamber. There are Ordinary and Extraordinary National General Assemblies.

(2) An Ordinary National General Assembly shall be held annually in the first quarter of the business year.

(3) An Extraordinary National General Assembly shall be convened:

(a) If the National Board so decides; or

(b) If at least ten percent (10%) of all members with voting rights submit a written request to the National Board stating the reasons to convene it.

SECTION B POWERS OF THE NATIONAL GENERAL ASSEMBLY

The National General Assembly shall, in particular:

(a) Approve the reports by the Chairman of the National Board, the President of each Regional Board, the Treasurer and the Auditor.

(b) Elect members of the National Board, the Treasurer and the Auditor;

(d) Approve the amount of the annual membership fees of a Regional Chamber;

- (e) Pass resolutions concerning the matters reserved to the National General Assembly by the National Articles;
- (f) Decide upon National Honorary Membership admission, rejection or termination;
- (g) Determine and amend the National Articles and the National Bylaws;
- (h) Approve the bylaws of a Regional Chamber;
- (i) Discharge the members of the National Board.

SECTION C PROCEDURES OF THE NATIONAL GENERAL ASSEMBLY

- (1) Written notice shall be given to all members at least twenty (20) days prior to the date of an Ordinary National General Assembly and at least ten (10) days prior to the date of an Extraordinary National General Assembly.
- (2) The Chairman or Vice Chairman of the National Board shall act as Chairman of the National General Assembly. The Chairman of the National General Assembly has the casting vote.
- (3) The National General Assembly shall proceed in accordance with the pre-determined agenda. Any member of the National Chamber may submit a written request to the National Board for additional item to the agenda provided such request is made at least forty-eight (48) hours prior to the date of the National General Assembly.
- (4) The quorum shall be constituted if (i) at least twenty percent (20%) of all members with voting rights are present in person or by proxy, and (ii) at least ten percent (10%) of members with voting rights from each Regional Chamber are present in person or by proxy. Decisions are made by a simple majority unless the National Articles or National Bylaws provide otherwise.
- (5) The National General Assembly may hold secret voting.
- (6) Any member may vote through proxy, provided a written authorization letter is presented.
- (7) Minutes shall be recorded for all National General Assembly meetings and shall be placed on file at the registered address of the National Chamber for members' consultation.

ARTICLE 7 BOARD OF DIRECTORS OF THE NATIONAL CHAMBER (“NATIONAL BOARD”)

SECTION A DUTIES OF THE NATIONAL BOARD

The National Board shall represent, oversee and make policy decisions with respect to the activities of the National Chamber. The duties of the National Board are, in particular:

- (a) To represent, promote and protect the interests of the National Chamber and its members;
- (b) To lay down general guidelines for the management of the National Chamber;
- (c) To report to the National General Assembly;
- (d) To review the amount of membership fees proposed by a Regional Board and submit them to the National General Assembly for approval;
- (e) To establish committees or an Advisory Board and delegate duties or powers, if needed;
- (f) To fulfil all tasks of the National Chamber that do not belong to the lawful or statutory rights or obligations of the National General Assembly or the President of each Regional Board.
- (g) To review the budget proposed by the Treasurer or President of Regional Chamber and submit to the National General Assembly for approval.
- (h) To appoint and dismiss executive officers and staff of the National Board.

SECTION B COMPOSITION OF THE NATIONAL BOARD

- (1) The National Board shall consist of at least six (6) members.
- (2) Each Regional Chamber shall be represented in the National Board by at least one (1) member.
- (3) Members of the National Board shall be elected by the National General Assembly for a term of two (2) years. Re-election is possible for maximum three (3) consecutive terms, i.e. totally six (6) consecutive years.
- (4) The National Board constitutes itself. The Chairman of the National Board shall be confirmed by the National General Assembly upon proposal by the National Board. The term of office of the Chairman of the National Board shall be two (2) years. Re-elections possible for maximum two (2) consecutive terms, i.e. totally four (4) consecutive years.

(5) If a member of the National Board leaves office before the end of his term of office, the respective Regional Chamber shall appoint a new member who shall hold office until the term of that National Board member ends.

SECTION C OFFICE HOLDERS WITHIN THE NATIONAL BOARD

(1) The office holders amongst the members of the National Board shall consist of:

(a) A Chairman;

(b) Vice Chairmen, the number of which to be decided by the National Board;

(c) A Treasurer;

(d) Contingent further office holders.

(2) The duties of the Chairman of the National Board are, in particular:

(a) To convene and take charge of meetings of the National Board;

(b) To represent the National Chamber.

(3) The Vice Chairman or Vice Chairmen of the Board assist(s) the Chairman in fulfilling the duties. In the absence of the Chairman, the/one Vice Chairman shall act as the Spokesman of the National Board.

(4) The Treasurer shall, under the supervision of the National Board, take charge in:

(a) Managing properties and keeping the accounts of the National Chamber;

(b) Submitting to the National General Assembly financial reports.

(5) Compensation for duties performed by members of the National Board shall be decided by the National General Assembly.

SECTION D MEETING OF THE NATIONAL BOARD

(1) The National Board shall convene at regular intervals of at least four (4) times per calendar year either in a physical meeting or by phone to discuss ongoing matters of concern to the National Chamber. A physical meeting shall be held at least once per calendar year.

(2) A meeting of the National Board shall also be convened by the Chairman upon a written request by at least one third ($\frac{1}{3}$) of all the members of the National Board. The Chairman must convene the meeting of the National Board within fifteen (15) days upon receipt of such written request.

(3) The quorum shall be constituted if the majority of the members of the National Board is present in person or by proxy. If a quorum fails to be established, the meeting of the National Board shall be convened within the next fifteen (15) days.

(4) Decisions may be made by a simple majority unless the National Articles or National Bylaws provide otherwise. Each member of the National Board has one vote in the meeting. The Chairman has a casting vote.

(5) The members of the National Board may be represented by proxy, the proxy holder being one of the other members of the National Board.

(6) A Secretary on a non-permanent basis shall be appointed by the Chairman or his representative for each National Board meeting.

SECTION E REMOVAL OF A NATIONAL BOARD MEMBER

In case of negligence of duty, violation of Chinese laws or regulations or any other behavior detrimental to the National Chamber and the Swiss Business Community in China, any National Board member may be removed from office by the National Board by a vote of at least three-quarters ($\frac{3}{4}$) of all members of the National Board.

ARTICLE 8 MANAGEMENT

(1) The Legal Representative shall be appointed by the National Board for a term of two (2) years. Reappointment is permitted. The Legal Representative may at the same time be a member but not the Chairman of the National Board.

(2) The Legal Representative shall report to the National Board. All transactions shall be documented and periodically reviewed by the National Board.

(3) Any transactions that result in liabilities of the National Chamber exceeding RMB 100,000 require the prior approval of the National Board.

(4) The Legal Representative shall keep the company seal at the registered office of the National Chamber at any time and may not hand it out to any other person without prior approval of the National Board.

ARTICLE 9 FINANCE

(1) The National Chamber's funds and assets consist of:

(a) Membership contributions;

- (b) Reimbursements for costs incurred by the National Chamber when rendering services;
 - (c) Subsidies and other grants from third parties;
 - (d) Income from interest accrued on securities and other properties owned by the National Chamber;
 - (e) Other legal financial resources.
- (2) The National Board shall dispose of the National Chamber's financial resources in accordance with the budget approved by the National General Assembly. Where the National Chamber receives special purpose grants, such may only be used for the intended purposes.
- (3) No member of the National Chamber shall have any individual right regarding the National Chamber's assets and financial means.
- (4) If the National Chamber is dissolved, any assets remaining after settlement of liabilities and not dedicated to any special purposes shall, by decision of an Extraordinary National General Assembly, be transferred to an institution or a project promoting Sino-Swiss economic relations or serving humanitarian or educational goals.
- (5) The National Chamber may establish bank accounts.

ARTICLE 10 LIABILITIES

Liabilities shall be met exclusively from the National Chamber's assets. No member of the National Board or the executive staff (including the Legal Representative) may be held personally liable for the National Chamber's liabilities.

ARTICLE 11 ACCOUNTING BOOKS

- (1) The income or expenditure of the National Chamber and the activities relating to such income or expenditure, together with the assets and liabilities of the National Chamber shall be recorded in the accounting book. The accounting book shall be kept at the registered address of the National Chamber or at other place considered appropriate by the National Board.
- (2) The accounting books shall be open to members for inspection subject to reasonable limitations laid down by the National General Assembly with regard to the time or method of such inspection.

ARTICLE 12 AUDITOR

The National Chamber's accounts must be audited every year by an Auditor, who shall not be a member of the National Board or a Regional Board. The Auditor is proposed by the National Board and elected by the National General Assembly for a period of one year. The Auditor shall inspect the annual financial statements, including cash flow statements and other documents. He has the right to require submission of financial statements and relevant documents, and to inspect the current balance situation. The result of the inspection shall be reported in written form to the National Board and submitted to the National General Assembly.

ARTICLE 13 ARBITRATION

The National Board may appoint an Arbitration Committee to settle disputes among members of the National Chamber.

ARTICLE 14 AMENDMENTS TO THE ARTICLES AND BYLAWS OF THE NATIONAL CHAMBER

(1) The National Articles may be amended by two-thirds ($\frac{2}{3}$) majority of the members with voting rights present in person or by proxy at the National General Assembly on the proposal of the National Board or following a written motion by at least one tenth (1/10) of all members with voting rights of the National Chamber.

(2) The National Board may draft, amend or repeal the National Bylaws in accordance with the National Articles. The National Bylaws and any amendment thereto or repeal thereof shall only become effective upon approval by a simple majority of the members with voting rights present in person or by proxy at the National General Assembly.

(3) The members of the National Chamber shall be notified of any changes to the National Articles or the National Bylaws.

ARTICLE 15 DISSOLUTION OF THE NATIONAL CHAMBER

(1) The National Chamber may only be dissolved by a decision of an Extraordinary National General Assembly exclusively convened for this purpose.

(2) The invitation to attend such an Extraordinary National General Assembly must (i) specifically indicate the purpose of the meeting being the decision on dissolution of the National Chamber, and (ii) be mailed at least six (6) weeks prior to the meeting. After dissolution, the assets and property will be handled in accordance with Article 9(4) of the National Articles.

ARTICLE 16 FINAL PROVISION

(1) The National Articles are written in Chinese and English. In case of conflict, the Chinese version shall prevail.

(2) The National Articles are with the Ministry of Civil Affairs as [of a date that needs to be confirmed], per the approved resolution by the meeting of the National General Assembly held on March 27, 2015.