

RULES

PART 3 - SWISSCHAM BEIJING REGIONAL RULES

PART 3.1 - SWISSCHAM BEIJING REGIONAL BYLAWS

Swiss Chinese Chamber of Commerce Beijing

("BEIJING BYLAWS")

(Swiss Chinese Chamber of Commerce Beijing)

Last modified by resolution of the Annual General Assembly of 25 January 2005.

The Swiss Chinese Chamber of Commerce ("SwissCham") is an organization established in accordance with the relevant laws and regulations of the People's Republic of China.

The Chamber has its registered office at 20th Floor, Star City Tower C, 10 Jiuxianqiao Road, Beijing 100016, China.

In accordance with Article 7 Section E of its Articles of Association, the Chamber has decided to create SwissCham Beijing, and it issues the following Regional Bylaws for such Chamber:

ARTICLE 1 - STATUS, NAME AND OFFICE

SwissCham is an internal regional division of the Chamber.

The Chamber shall be named the "Swiss Chinese Chamber of Commerce Beijing" or "SwissCham".

SwissCham shall have its office at The Chamber has its registered office at 20th Floor, Star City Tower C, 10 Jiuxianqiao Road, Beijing 100016, China.

ARTICLE 2 - PURPOSE

SwissCham shall promote the Chamber's purpose in the Beijing region.

ARTICLE 3 - TERRITORY

SwissCham Beijing covers the region of Northern China meaning the territory north of the Yangtse river.

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ARTICLE 4 - MEMBERSHIP

Those Members of the Chamber shall also be Members of SwissCham Beijing who:

- (a) are incorporated or have residence in the territory defined in Article 3;
- (b) submit their membership application for the Chamber through the offices of SwissCham Beijing.

SwissCham Beijing Regional Membership Constitution:

(i) Members With Voting Rights:

- (aa) Corporate Membership: members with Swiss investment or offices in Switzerland. Members with Swiss investment or offices in Switzerland and in the process of setting-up in China.
- (bb) Individual Members: All Swiss citizens or all others employed by Swiss-based or Swiss-invested enterprise.

(ii) Members Without Voting Rights:

- (aa) Corporate Membership: members without Swiss investment or offices in Switzerland.
- (bb) Individuals: other citizens who are not employed by Swiss-based or Swiss-invested enterprise.
- (cc) Associate Membership: any person or institutions that likes to be affiliated with SwissCham.
- (dd) Honorary Membership: person(s) with great contribution for Swiss-China trade or for SwissCham.

ARTICLE 5 - MEMBERSHIP FEES

The Members shall pay a membership fee that will be submitted by the Regional Board for approval by the Regional General Assembly Meeting. The membership dues shall be paid within one month after receipt of the notification.

In addition to Article 4 Section C of the Articles, Membership terminates in case of non-payment of the membership fees within 6 months after the

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annual GA meeting. The treasurer of the Beijing Chapter shall send out payment reminders at least twice and report the status of unpaid membership fees at every meeting of the board.

ARTICLE 6 - REGIONAL GENERAL ASSEMBLY

The Regional General Assembly of the Members shall be the supreme body of SwissCham Beijing. Its decisions shall be subject only to the decisions, rules and regulations of the Chamber.

The Regional General Assembly shall function according to the rules outlined in Article 6 of the Articles of Association of the Chamber.

(a) The Swiss Embassy Beijing is a standing Honorary Member of the Beijing Chamber.

(b) Invitation to the annual Beijing GA will be sent 30 days in advance and include the following documents:

(i) Agenda

(ii) Activity report of the Board

(iii) Accounts for the past period and auditors' identification

(iv) Program and budget for the next period

(v) Candidacies call to the Board

(vi) Amendment proposals for the Beijing bylaws, when relevant

(c) Quorum for the Beijing GA is 50% of membership with voting right.

(d) A member has voting rights when he has paid his membership fee for the past period and all other dues.

(e) Representative functions of the Board (President, National Representatives) are elected by the GA, others are decided within the Board

(f) Board members are elected by secret ballot. A member is elected to the Board only if a simple majority of the represented members at the GA have voted for them.

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- (g) A secret ballot will be conducted:
 - (i) If the Chair of the GA so requests or
 - (ii) If 2 members of the GA so request

ARTICLE 7 - REGIONAL BOARD OF DIRECTORS & EXECUTIVE STAFF

The Regional Board of Directors is in charge of management and representation of SwissCham Beijing.

It shall be convened and function according to the rules outlined in Article ~~7~~VI⁸ of the Articles of Association of the Chamber.

It may appoint a manager for taking care of daily matters, as well as other staff. Manager and other staff need not be Members of the Chamber.

- (a) Board Members are elected for one year.
- (b) Board is constituted of a maximum of 7 Members, which does not include honorary Board members, as relevant.
- (c) Typically, Board Members are expected to attend 2/3rd of scheduled Board Meetings. Attendance of Board Members to past year Board Meetings will be announced within the election process. The Office Holders (President, Vice-President(s), Treasurer and Secretary) may not stand for re-election if they did not attend 2/3rd of scheduled Board Meetings.
- (d) Board membership is revoked in case a Board Member of corporate category changes company.
- (e) Before annual elections to the Board or, in case of a vacancy, before selecting a temporary Board member, the Board shall make an open call for candidacy to all the membership.
- (f) An open bidding process, including all members shall be followed for the awarding of contracts approved by the Board.
- (g) Board members shall not be included in the bidding of SwissCham Beijing projects and shall not take such contracts.
- (h) Responsibilities of the Executive Director (ExD) include:

⁸ Subject to the approval of the Regional General Assembly in 2007.

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- (i) Daily Beijing Chamber activities
 - (ii) Events
 - (iii) Sales & marketing
 - (iv) New members acquisition
 - (v) Services offered by the Beijing Chamber
 - (vi) Profit & loss accountability
- (j) The Board will set targets expenses level, manage and review performance of the ExD on a bi-annual basis.

ARTICLE 8 - FINANCE

The Beijing Chapter provides the appropriate bookkeeping and accounting measures for its finances and reports to the National Board.

With regard to financial matters the rules outlined in Articles 8 and 11 of the Articles of Association of the Chamber also apply to SwissCham Beijing.

ARTICLE 9 - AUDITOR

An Auditor proposed by the Regional Board of Directors and elected at the Regional General Meeting for a period of one year must audit SwissCham's accounts once a 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 forms to the Regional Board and submitted to the Regional General Meeting.

After approval by the Regional General Meeting, the Auditor's report on the financial statements of SwissCham Beijing shall be forwarded to the Board of Directors of the Chamber 14 days before the date of the General Assembly Meeting of the Chamber.

ARTICLE 10 - REPORTING TO THE CHAMBER

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The President of the Beijing Chapter shall submit an Annual Report to the Board of Director of the Chamber 14 days before the date of the General Assembly Meeting of the Chamber including:

- (a) Activities conducted and attended by members of the Beijing Chapter
- (b) Budget for the new calendar year
- (c) Updated register of Members

ARTICLE 11 - FINAL PROVISIONS

These Regional Bylaws of SwissCham Beijing came into effect when approved by the General Assembly Meeting of the Swiss Chinese Chamber of Commerce for the first time on April 18 2001. Last revisions per the approved Bylaws modifications approved during the EGA Meeting of March 17, 2003.

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