

THE COMPANIES ORDINANCE (Chapter 32)

Company Limited by Guarantee
And not having a Share Capital

MEMORANDUM OF ASSOCIATION

OF

NETWORK OF ASIA AND PACIFIC PRODUCERS LIMITED

- I. The name of the Company is **NETWORK OF ASIA AND PACIFIC PRODUCERS LIMITED** (hereinafter called the Association)
- II. The Registered Office of the Association will be situated in Hong Kong.
- III. The objects for which the Association is established are:
 1. To support and promote the spirit and practice of fair trade in a manner appropriate to producer realities in Asia & Pacific, as well as to promote the concept and practice of fair trade within Asia & Pacific as per accepted norms of Fairtrade Networks and Organizations.
 2. To promote, conduct and support economic, social and environmental development activities and welfare activities for the benefit of producers and workers associated with Fairtrade, their families and their communities and also others residing in the production regions.
 3. To conduct any social, economic or environmental development program or to support any other activity that will have objectives similar to any or all of this Association and to cooperate financially or otherwise with any person(s) in aid of or in furtherance of such objectives.
 4. To represent the interests of Asia & Pacific producers and workers in all forums related to Fairtrade and to actively seek and promote close working relationships with other stakeholders within the Fairtrade system as well as the larger Fairtrade movement.
 5. To conduct the activities of the Association for the benefit of Fairtrade International (FI) members and to be vibrant in its activities, always endeavoring to take its activities to higher levels of achievement and efficiency.
 6. To incorporate and/or grant affiliation/or be affiliated to social service entities/ companies/ associations or societies whose objects are similar to any or all of this Association and to cooperate financially or otherwise with any person or persons, in aid of and in furtherance of such objectives.
 7. To make rules and regulations in connection with the management and control of the Association .
 8. To construct, acquire, maintain, improve, develop and alter any buildings, house or other property necessary or convenient for the purpose of the Association.

9. To receive and hold funds to carry out the objects of the Network in exchange of the services rendered by the public.
10. To accept donations, gifts, grants-in-aid, endowments from any governments, Municipalities, District and Local bodies, business houses, public bodies or persons of both Asian or other origin or societies on such terms as the Executive body of the Association may consider reasonable.
11. To accept and receive any gifts of property, donation, subscriptions, funds and bequests from any person, corporation or institution, whether subject to any one or more of the objects of the Association and to act as custodian, trustee or manager of all or any of such properties, donations, subscriptions, funds or bequests.
12. To invest funds of the Association in such a manner as the executive body may consider for the safety and benefit of the society and to convert or to alter such investments at the discretion of the executive body.
13. To open and operate banking accounts to draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes and other negotiable or transferable instruments.
14. To borrow money that may be required for the purpose of the Association with due approval of the executive body.
15. To enter into any liability for the purpose of the Association and for repayment or discharge of any debt or liability by mortgage charge, pledge, hypothecation or assignment of any property of the Association in such a manner as the executive body may deem fit and proper.
16. To engage and assist in such other charitable and philanthropic activities as may be deemed appropriate by the executive body of the Association.
17. To enter into any arrangement with any Government(s) or authorities (local, supreme or otherwise) that may seem conducive to the attainment of the Association's objects or any of them, and, to obtain from them and exercise any rights, privileges, licenses and concessions which may seem desirable.
18. To create public awareness for the furtherance of the aims and objectives of the Association and to do all such things as may be deemed incidental or conducive to the attainment of the foregoing.
19. To prepare and disseminate educational material for promotion of development in the print and audio-visual form.
20. To prepare and publish papers, articles, books, journals, newsletters, bulletins and other printed forms to further the activities of the Association.
21. To establish libraries and information dissemination centers.
22. To appoint staff and create positions for the activity of the Association and to engage, hire and employ all classes of persons considered necessary for the purpose of the Association and to pay to them and other persons in return for services rendered to the Association salaries, wages, gratuities and pensions.
23. To appoint any trustees or agents and to hire any persons to hold, administer and manage all or any part of the property and assets of the Association on such terms as to remuneration or otherwise as may be thought fit.

24. To undertake and execute any trusts which may seem desirable or conducive to the Association's objects.

25. To do all such lawful things as are incidental or conducive to the attainment of any of the aforesaid objects or otherwise for furthering the objects of the Association and either in Hong Kong or abroad.

Provided that:-

(a) In case the Association shall take or hold any property which may be subject to any trusts, the Association shall only deal with or invest the same in such manner as allowed by the law, having regard to such trusts.

(b) Powers in 7th Schedule excluded

26. To have perpetual succession by its corporate name.

27. To make bye-laws for the conduct of the affairs of the Association and amend them as necessary from time to time.

28. To do all other things that is incidental or decisive to the attainment or furtherance of the aims and objects of the society.

IV. The income and property of the Association, howsoever derived, shall be applied towards the furtherance of the objects of the Association 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 by way of profits, to its members; PROVIDED that nothing herein shall prevent the repayment of out of pocket expenses and the payment(s), in good faith of reasonable and proper remuneration to any officers or servants of the Association nor prevent the payment of interest at a reasonable rate or reasonable and proper rent for premises demised or let by any officer or member to the Association; but so that no member of the Board of Directors or its sub-committees of the Association shall be appointed to any salaried office of the Association, or any office of the Association paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Association to any other member of the Board of Directors or its sub-committees except repayment of out of pocket expenses, payment for services provided by the members, in a capacity other than and those that are over and above the duties stated in this Memorandum and the attached Articles of Association and interest at the rate of aforesaid on money lent or reasonable and proper rent of premises demised or let to the Association provided that the provision last aforesaid shall not apply to any payment to any company of which a member of the Board of Directors or its sub-committees may be a member and in which such member shall not hold more than 1% of the capital, and such member shall not be bound to account for any share of profits he may receive in respect of any such payment.

V. The liability of the Members is limited.

VI. Every member of the Association undertakes to contribute to the assets of the Association in the event of its being wound up while he is a member, or within one year afterwards, for payment of the debts and liabilities of the Association contracted before he ceased to be a member and the costs, charges and expenses of winding up, and for the adjustment of the

rights of the contributories amongst themselves, such amount as may be required not exceeding HKD 10 (Hong Kong Dollars Ten only).

- VII. If upon winding up or dissolution of the Association there remains after the satisfaction of all debts and liabilities, any property, whatsoever, the same shall not be paid to or distributed among the members of the Association, but shall be given or transferred to some other institution or institutions, having objects similar to the objects of the Association, 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 the Association under or by virtue of Clause IV hereof, such institution or institutions to be determined by the members of the Association at or before the time of dissolution, and in default thereof by a Judge of the High Court of the Hong Kong Special Administrative Region having jurisdiction with regard to charitable funds and, if this provision cannot be effected, then to some charitable objects.
- VIII. True account shall be kept of the sums of money received and expended by the Association and matters in respect of which such receipts and expenditures take place and of the properties, credits and liabilities of the Association and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the Articles of Association of the Association, shall be open to the inspection of the members. Once at least in every year the accounts of the Association shall be examined and the correctness of the Balance Sheet ascertained by one or more properly qualified auditors.

We, the several persons whose names and addresses are given below, wish to form a Company in pursuance of this Memorandum of Association:

Names, Addresses and Descriptions of Signatories
(Sd) MANDANNA, KELAPANDA ACHAPPA BHARATH r/o O NO 48/136 N.No. 3/191 MUDIS TOWN SOUTH NORTH MUDIS VALPARAI COIMBATORE – 642117 TAMILNADU INDIA
(Sd) RAJARATNAM, GNANASEKARAN r/o BIO TEA PROJECT P.O. BOX 2 HALDUMMULLA SRI LANKA
(Sd) HABIB, MOHAMMED r/o 19 TUALESIA STREET SIMLA LAUTOKA FIJI

Dated: 6 JANUARY 2014

WITNESS to the above signatures:

THE COMPANIES ORDINANCE (Chapter 32)

Company Limited by Guarantee
And not having a Share Capital

ARTICLES OF ASSOCIATION

OF

NETWORK OF ASIA AND PACIFIC PRODUCERS LIMITED

PRELIMINARY

1. The regulations in Table C in the First Schedule to the Companies Ordinance (Chapter 32) shall apply to the Company save in so far as they are hereby specifically excluded or are inconsistent with the Articles herein contained.

INTERPRETATION

2. In these Articles, unless the context otherwise permits or requires:-
 - (a) "The Association" means the Company registered as **NETWORK OF ASIA AND PACIFIC PRODUCERS LIMITED**.
 - (b) "The Ordinance" means the Companies Ordinance Chapter 32 of the Revised Edition, and of the laws of Hong Kong and any amending ordinance thereto.
 - (c) "The Seal" means the common seal from time to time of the Association.
 - (d) "Secretary" means any person for the time being appointed to perform the duties of the Secretary of the Association.
 - (e) "Board of Directors" mean the Directors for the time being of the Association or, where the context requires, the Directors present at a duly convened meeting of Directors at which a quorum is present.
 - (f) "Chairperson" means the Chairperson for the time being of the Board of Directors.
 - (g) "Commissioner" means the Commissioner of the Inland Revenue Department of Hong Kong.
 - (h) "Director" means director for the time being of the Association.
 - (i) "Founder Members" mean the members who have subscribed to this Memorandum and Articles of Association.
 - (j) "Hong Kong" means the Hong Kong Special Administrative Region of People's Republic of China.
 - (k) "Honorary Member" means an honorary member of the Association as defined in Article 5.

- (l) "In Writing" and "Written" include printing, lithography, photography and other modes of representation or reproduction of words in a visible form.
- (m) "Member" means a member for the time being of the Association of whatever class as defined in Article 5.
- (n) "Month" means calendar month.
- (o) "Office" means registered office for the time being of the Association.
- (p) "Ordinary Member" means an ordinary member of the Association as defined in Article 5.
- (q) "Patron" means a patron of the Association as defined in Article 7.
- (r) "The Memorandum" means these Articles of Association in their present form or as altered from time to time.
- (s) "The Subscribers" mean the subscribers to the memorandum and articles of association of the Association.
- (t) "The Auditors" mean the auditors for the time being of the Association.
- (u) "Year" means calendar year.

In these Articles, if not inconsistent with the subject, -

- (a) Words importing the singular number shall include the plural number and vice versa;
- (b) Words importing any gender shall include all other genders; and
- (c) References to persons shall include corporations, acting, where applicable, by their duly authorized representatives.
- (d) Subject as aforesaid, any words defined in the Ordinance shall, if not consistent with the subject or context, bear the same meanings as these Articles.
- (e) The headings and any marginal notes are inserted for convenience only and shall not affect the construction of these Articles.

MEMBERSHIP

3. The number of the Members of the Association with which the Association is to be registered is 300 (Three Hundred), but the Board of Directors may from time to time with the sanction of a Special Resolution of the Association register an increase in the number of members.
4. All Members shall be Members for life or until he or she ceases to be a Member pursuant to Article 8. Such other persons, corporations or other entities as the Board of Directors shall from time to time admit to the membership in accordance with the provisions hereof shall also be subject to this Article.
5. The Association shall comprise of the following types of Members:
 - (a) Founder Members – a Founder Member shall be one who subscribes to this Memorandum and Articles of Association. Each Founder Member shall be member for life or until he ceases to be a Member pursuant to Article 8. Ordinary Members – The following shall be eligible to be admitted as Ordinary Members of the Association:
 - (i) One official representative of each of producers certified under the Small Farmer Organization Standards.

- (ii) One official representative of each of producers certified under the Hired Labour Standards provided worker representatives also represent these production zones from their respective Fairtrade Premium Committees and the producers allow free and direct access by the Association to the worker representatives and the Fairtrade Premium Committees.
 - (iii) One official representative of each of Worker representatives from all Fairtrade Premium Committees.
 - (iv) One official representative of each of all Producer Organizations certified under the Contract Production Standards.
 - (v) One official representative of each of all Promoting Bodies as defined by the Contract Production Standards provided farmer/ grassroots producer representatives also represent these production zones from their respective Producer Organizations and the Promoting Bodies allow free and direct access by the Association to the producer representatives and the Producer Organizations.
- (b) Honorary Members – The Board of Directors, may, by resolution admit as an Honorary Member, any distinguished person above the age of 18, Association, corporation, institution, society, club or other entity, if such person has, in the opinion of the Board of Directors, an interest in the Association’s objectives. Honorary Members shall not be entitled to vote at the general meetings of the Association.
6. Every applicant for membership to the Association shall satisfy all the requirements for membership of the Association as the Board of Directors may prescribe from time to time (if any), and, subject as provided by these Articles, the Board of Directors may from time to time accede to or refuse such applications at its absolute discretion. In no circumstances shall the Board of Directors be required to give any reason for the rejection of an application.
7. The Board of Directors shall have the power to invite, without submission of application, as Patron of the Association any distinguished person, partnership, Association, corporation, institution or other entity as the Board of Directors may think fit. A Patron does not qualify as a Member for the purposes of these Articles and shall have none of the rights or liabilities of a member hereunder but may have special privileges as the Board of Directors may, from time to time, appoint. Nothing herein shall prevent a Patron from becoming a member of the Association.
8. A member shall cease to be a Member of the Association on the occurrence of the any of the following:
- (a) Death;
 - (b) Conviction of an indictable offence;
 - (c) A receiving Order, or in the case of an organization/ company a order of dissolution or winding up, as the case may be, is issued against the member or the member makes any arrangement or composition with creditors generally;
 - (d) Lunacy or state of unsound mind;
 - (e) Resignation, which shall be effective one month after the receipt of such notice unless the Board of Directors notifies such member that it, accepts a shorter period.

(f) The Board of Directors, having resolved, either by a resolution in writing or a resolution passed by all of the votes at a meeting of the Board of Directors, duly convened, held and constituted and at which all Directors are present, that such Member shall cease to be a member as from such time as the Board of Directors shall determine and notify such Member. Provided that Notice of such Meeting shall have been given to such Member concerned, who shall thereupon be entitled to attend and present his case in the said Meeting. In such event the Member has a right of appeal to the Association in general meeting by a notice of appeal to the Secretary, whereupon an Extraordinary General Meeting shall be convened for the purpose of passing an ordinary resolution affirming the act of the Board of Directors, which resolution shall be final and conclusive.

Any member who shall, for any cause, cease to be a Member of the Association shall, nevertheless, remain liable to pay to the Association which at the time of ceasing to be a Member shall be due from him to the Association.

9. Subject as provided by these Articles, the Board of Directors shall from time to time, determine the requirements for membership of the Association.
10. The Association shall maintain a Register of Members containing the names, addresses and occupation, date of admission and date of cessation of all members. Any member of the Association on requisition may inspect the Register, which shall be open for inspection.

GENERAL MEETINGS

11. A General Meeting shall be held once in every year at such time (not being more than fifteen months after the holding of the last preceding General Meeting) and place as may be prescribed by the Association in General Meeting and if no other time or place is prescribed a General Meeting shall be held at such time and place as the Directors may from time to time determine. General Meetings held under this Article shall be called Annual General Meetings. General Meetings other than the Annual General Meetings shall be called Extraordinary General Meetings.
12. Provided that so long as the Association holds its First Annual General Meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year.
13. The quorum for the transaction of business at any General Meeting shall be one-half of the total number of members present in person or by proxy.
14. Meetings may be held in Hong Kong or at such other places in the World as the majority of the shareholders in value shall from time to time by resolution determine.
15. A resolution in writing signed by all the shareholders and annexed or attached to the General Meeting Minute Book shall be as valid and effective as a resolution passed at a meeting duly convened. The signature of any shareholder may be given by his Attorney or Proxy. Any such resolution may be contained in one document or separate copies prepared and/ or circulated for the purpose and signed by one or more shareholders.
16. Where the Association has only one member and that member takes any decision that may be taken by the Association in General Meeting and that has effect as if agreed by the Association in General Meeting, he shall (unless that decision is taken by way of a resolution in writing duly

signed by him) provide the Association with a written record of that decision within 7 days after the decision is made.

17. The Board of Directors may, whenever they think fit, and shall on requisition in accordance with the Ordinance, convene an Extraordinary General Meeting. Every such meeting shall be held at such time and place, as the Board of Directors shall appoint. If at any time the Directors are not capable of forming a quorum at least twenty-five percent of the total membership either physically present or by proxy may convene an extraordinary general meeting in the same manner as nearly as possible as that in which such meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

18. Subject to Section 116C of the Ordinance, an annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than twenty one (21) days notice in writing and any other general meeting shall be called not less than fourteen (14) days notice in writing. The notice shall be exclusive of the day on which it is served and deemed to be served and of day for which it is given and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Association in general meeting, to such persons as are, under these Articles or under the Ordinance, entitled to receive such notice. There shall appear on every such notice with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend instead of him.
19. A meeting to the Association shall, notwithstanding that it is called by shorter notice than that specified herein, be deemed to have been duly called if it is so agreed:-
- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority together representing not less than fifty per cent of the total voting rights of all Members entitled to attend and vote thereat.
20. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate any resolutions passed, or the proceedings of or any business transacted at that meeting.
21. All Ordinary Members shall, subject to Article 26 hereof, be entitled to notice of and to be present and vote at meetings of Association. All Honorary Members shall, subject to Article 26 hereof, be entitled to notice of and to be present at meetings of the Association.
22. The Board of Directors may invite any person, partnership, Association, corporation, institution or other entity to attend any general meetings. Such person, partnership, Association, corporation, institution or other entity shall have none of the rights or liabilities of a Member.

PROCEEDINGS AT GENERAL MEETINGS

23. All business that is transacted at an extraordinary general meeting, and at an annual general meeting shall be deemed special with the exception of:
- (a) The receipt of the accounts and the balance sheet and the reports of the Directors and other documents required to be annexed to the accounts;
 - (b) The election of Directors in place of those retiring, if any;
 - (c) The election or re-election of the Auditors; and

- (d) The fixing of the remuneration of the Auditors.
24. No business shall be transacted at any general meetings unless a quorum of members is present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meetings, save as otherwise provided the quorum for any general meeting shall be one-half of the registered members present in person or by proxy.
25. If within fifteen (15) minutes from the time specified for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, if any other case it shall stand adjourned to the same day in the next month, at the same time and place, or to such other day and at such other time and place as the Chairman of the meeting may determine, and if at the adjourned meeting a quorum is not present within fifteen (15) minutes from the time appointed for the meeting the members present in person or proxy shall be a quorum and may transact the business for which the meeting was held.
26. The chairman, shall preside as chairman at every general meeting of the Association or there is no such Chairman, or if he shall not present within fifteen (15) minutes after the time appointed for the holding of the meeting or is not willing to act or is absent from Hong Kong or has given notice to the Association of his intention not to attend the meeting, the Directors present shall choose one of their number to be chairman, or if one Director is only present he shall preside as chairman if willing to act. If at any general meeting, no Director is present within fifteen (15) minutes of the time appointed for holding the meeting, or if all the Directors present decline to take the chair, the Members present shall elect one of their numbers to be chairman of the meeting.
27. The chairman of any general meeting may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time, and from place to place, or sine die, but no business shall be transacted at any adjourned meeting other than the business which might have been transacted or left unfinished at the meeting from which the adjournment took place unless due notice thereof is given or such notice is waived in the manner prescribed by these Articles. Whenever a meeting is adjourned for thirty (30) days or more or sine die, notice of the adjourned meeting shall be given in the same manner as that of an original meeting. Save as aforesaid, the Members shall not be entitled to any notice of the adjournment, or of the business to be transacted at an adjourned meeting. Where a meeting is adjourned sine die, the Directors shall fix the time and place for the adjourned meeting.
28. Subject to the provisions of the Ordinance, a resolution in writing (through hand written letters or through an email with a verifiable electronic signature) signed by all the Members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Association duly convened and held. A written notice of confirmation of such resolution in writing sent by or on behalf of a Member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by hand or through electronic means on behalf of one or more Members.
29. At any general meetings a resolution put to the vote of the meeting shall be decided on a show of hands, and a declaration by the chairman of the general meeting that a resolution has, on a show of hands, been carried, or carried unanimously, or by two thirds majority of the members

present or holding proxy votes, or lost, and an entry to that effect in the book of proceedings of the Association shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

30. In the case of an equality of votes, the chairman of the general meeting shall be entitled to a second or casting vote.

VOTE OF MEMBERS, PROXIES AND REPRESENTATIVES

31. Subject as herein provided, members shall have the following voting rights:

(a) Ordinary Members:

- (i) Small Producer Organizations shall have one vote cast through their authorized representative.
- (ii) Hired Labour Organizations shall have one-half vote cast through each of their two representatives each authorized by the Management and the Fairtrade Premium Committee. It shall be mandatory for both representatives to be present, whether physically or through proxy. A proxy in this instance cannot be the other joint representative for the said vote. Further, in the instance of only one of the two representatives being represented at a meeting, then that Hired labour organization shall not be eligible to vote at that meeting.
- (iii) Contract Production Setups shall have one-half vote vote cast through each of their two representatives each authorized by the Promoting Body and the Producer Executive Body. It shall be mandatory for both representatives to be present, whether physically or through proxy. However, it is mandatory in this instance that the proxy shall be any person, who may or may not be a member of the Association but must be a member of the Association, other than the joint representative for the said vote. Further, in the instance of only one of the two representatives bring represented at a meeting, then that Contract Production Setup shall not be eligible to vote at that meeting.

(b) Honorary Members – Shall have no voting rights.

32. Save as herein expressly provided, every Member, other than one who is not duly registered, shall be entitled to receive notice of or to attend or vote on any question, either personally or by proxy, at any general meeting.

33. A proxy must be a member of the Association.

34. The instrument appointing a proxy shall be in writing in any usual or common form or in such other form as the Board of Directors may approve or allow from time to time, and shall be deemed, subject to the proviso hereinafter contained, to confer authority upon the proxy to vote on any resolution or amendment thereto put to the meeting for which it is given as the proxy thinks fit provided that any form issued to a Member for use by him for appointing a proxy to attend and vote at a general meeting at which special business to be transacted shall be such as to enable the Member according to his intention to instruct the proxy to vote in favour of or against or, in default of instruction, to exercise his discretion in respect of each resolution dealing with any such special business.

35. The instrument appointing a proxy shall be executed under the hand of the appointer if the appointer is an individual, or executed under the hand of an officer or attorney so authorized.

Such instrument appointing a proxy shall be in any form, which the Board of Directors shall approve.

36. The instrument appointing a proxy under which it is signed or a notarized certified copy thereof shall be deposited at the Office not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to attend and vote, and in default the instrument of proxy shall not be treated as valid except with the approval of the chairman of the meeting. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution.
37. 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 winding-up 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 the death, insanity, winding-up or revocation shall have been received at the Office at least twenty-four (24) hours before the commencement of the meeting or adjourned meeting at which the proxy is used.
38. An objection may be made to the validity of any vote at the meeting at which such vote shall be tendered, and every vote not disallowed at such meeting shall be valid.
39. Any corporation which is a Member may by resolution of its board of directors or other governing body as appropriate authorize such person as it thinks fit to act its representative at any meeting of the Association, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation he represents as that corporation could exercise if it were an individual Member.

THE BOARD OF DIRECTORS

40. Unless and until otherwise determined by an ordinary resolution of the Association in general meeting, the number of members of the Board of Directors shall be not less than two or more than twenty.
41. The First Board of Directors shall be:
 - (a) Mr Kelapanda Achappa Bharath Mandanna
 - (b) Mr Rajaratnam Gnanasekaran
 - (c) Mr Mohammed Habib
42. The Board of Directors may from time to time appoint any person as a member of the Board of Directors either to fill a casual vacancy or by way of addition to the Board of Directors provided that the prescribed maximum is not thereby exceeded. Any member of the Board of Directors so appointed by the Board of Directors shall retain his office only for a term of three years but shall be eligible for reelection. A director may serve in the post for two continuous terms and can only be eligible for re-election after a one-term gap. However this may be relaxed under exceptional circumstances as decided by the General Body.
43. Subject to the provisions of the Memorandum, the Board of Directors may exercise all the powers of the Association to borrow money, and to mortgage or charge its undertaking, property and assets (present and future), or any part thereof, and to issue debentures and other securities, whether outright or as security for any debentures and other securities, whether outright or as security for any debt, liability or obligation of the Association.

44. A Director need not hold any shares in the Association and is subject to rotation or retirement at the Annual General Meetings as per terms of appointment. A Director who is not a member of the Association shall nevertheless be entitled to attend and speak at General Meetings.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

45. The Board of Directors shall manage and administer the business and affairs, funds and property of the Association and may pay all expenses incurred in promoting and registering the Association may exercise all such powers of the Association and do all acts things (subject to prior approvals of the Association in general meeting or of some other authority as appropriate) as are not, by the Ordinance or these Articles, required to be exercised by the Association in general meeting or by some other authority, but subject nevertheless to the provisions of the Ordinance or these Articles and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Association in general meeting; but no regulation made by the Association in general meeting invalidate any prior act of the Board of Directors which would have been valid if that regulation had not been made; provided that any regulation made by the Board of Directors may be set aside by a resolution of a general meeting of the Association. The general powers given to the Board of Directors by this Article shall be in addition to, and not limited or restricted by, any special authority or power given to the Board of Directors by any other Articles.

46. Without prejudice to the generality of the powers and duties vested in the Board of Directors by the preceding Article and subject to the provisions of the Ordinance, the Board of Directors shall have power and duty:-

- (a) To monitor, supervise and approve the activities, budgets, finances, accounts, investment, property, business and all affairs whatsoever of the Association;
- (b) To establish, develop and implement strategies and policies for the Association, including those relating to financial planning and the raising of finance for the Association and its operations, and for such purposes, to consider and approve annual budgets, annual and longer-term plans and proposals relating thereto;
- (c) To acquire in the names of the Association, build upon, pull down, rebuild, add to, alter, repair, improve, sell or dispose of or otherwise deal with any land, buildings or premises for the use of the Association and to furnish and fit out with all necessary furniture and other equipment any such buildings or premises;
- (d) To take such steps whether by personal or written appeal, public meeting, campaigns, social performance, dinners, shows, lectures or gatherings, as may from time to time be deemed expedient for the purposes of raising money for or procuring contributions to the funds of the Association in form of donation, annual subscriptions, or otherwise for the purpose of carrying out the objects of the Association;
- (e) To enter into contracts on behalf of the Association;
- (f) To carry out or authorize the carrying out of all acts and deeds, or establish organizations, and bodies, to further the objects for which the Association is established;
- (g) To employ and dismiss supervisors and other persons necessary for the purpose of the Association on such terms and at such remuneration as the Association considers fit;
- (h) To set aside out the profits of the Association such sums as it thinks proper as a reserve to meet contingencies or for replacing, repairing, improving and maintaining any of the

property or services of the Association and for such other purposes as the Board of Directors shall in its absolute discretion think conducive to the interests of the Association and to invest the several sums to set aside upon such investments as it may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof at its discretion for the benefit of the Association, and to divide the reserve funds into such funds as it may think fit;

- (i) To approve any proposed expenditure incurred out of the funds and assets of the Association as it thinks fit;
- (j) To pay the cost, charges and expenses incidental to the management and regulation of the Association;
- (k) To determine who shall be entitled to sign bills, notes, receipts, acceptances, endorsements, cheques, release, contracts and documents on behalf of the Association;
- (l) To cause a proper register to be kept, in accordance with the provisions of the Ordinance, of all mortgages and charges affecting the property of the Association and shall duly comply with the requirements of the Ordinance in regard to the registration of mortgages and charges therein specified and otherwise;
- (m) To cause minutes to be made in books to be provided for the purposes of all appointments of officers made by the Board of Directors; of all the names of the members of the Board of Directors present at each meeting and of any sub-committee of the Board of Directors; and of all resolutions and proceedings at all meetings of the Association and of the Board of Directors and of sub-committees and all business transacted at such meetings, and such minutes of any meetings, if purporting to be signed by the chairman of such meeting, or by the chairman of the next succeeding meeting, shall be sufficient evidence without proof of the facts therein specified;
- (n) To present to the Annual General Meeting a report covering the work and progress of the Association during its term of office, together with a financial statement and accounts duly audited;
- (o) To propose to the General Meetings such amendments to the Memorandum and Articles of Association and to submit to the Annual General Meeting such resolutions and declarations as in its view may be necessitated for promoting the objects of the Association;
- (p) To enforce the Memorandum and Articles of Association and promote its aim and to take any action it deems necessary for such purposes;
- (q) To make rules as it considers necessary for the proper administration of the Association;
- (r) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Association or its officers otherwise concerning the affairs of the Association and to compound and allow time for payment or satisfaction of any debt due and of any claims or demands by or against the Association;
- (s) To refer any claims or demands by or against the Association to arbitration, and observe and perform the award; and
- (t) To do all such other lawful acts and things as may be requisite to perform any duty or to give effect to any powers conferred on the Board of Directors by the Ordinance, the Memorandum or these Articles.

DISQUALIFICATION OF DIRECTORS

47. Subject as provided in these Articles the office of a Director shall be vacated if:-
- (a) He dies; or
 - (b) A receiving order or, in the case of a Company, a winding-up order is made against him or he makes any arrangement or composition with creditors generally; or
 - (c) He becomes prohibited by law or court order from being a Director; or
 - (d) He is found lunatic or becomes of unsound mind; or
 - (e) He is convicted of an indictable offence; or
 - (f) He is removed by a special resolution of the Association; or
 - (g) He resigns his office by notice in writing to the Association; or
 - (h) He is directly or indirectly interested in any contract with the Association and fails to declare the nature of his interest in manner required by Section 162 of the Ordinance.
 - (i) He is the authorized representative of a member organization that loses its Fairtrade certification and consequently loses membership of the Association.

ROTATION OF THE BOARD OF DIRECTORS

48. At the first annual general meeting of the Association and at the annual general meeting of the Association in every subsequent third year, all the Directors shall retire from office.
49. A retiring Director shall be eligible for re-election. A director may serve in the post for two continuous terms and can only be eligible for re-election after a one-term gap. However this may be relaxed under exceptional circumstances as decided by the General Body.
50. The Association at the general meeting at which Directors retire in manner aforesaid may fill up the vacated offices by electing the like number of Directors thereto, and in default, the retiring Directors shall offer themselves for re-election and be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Directors shall have been put to the meeting and lost.
51. The Association may by special resolution remove any Director or appointed Director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead. The person so appointed shall retain his office so long only as the Director in whose place he is appointed would have held the same if he had not been removed.

PROCEEDING OF THE MEETINGS OF BOARD OF DIRECTORS

52. Meetings of the Board of Directors may be held in Hong Kong or in any other part of the World as may be convenient for the majority.
53. The Board of Directors may meet together for the dispatch of business, adjourn and otherwise regulate its meetings at it thinks fit.
54. The quorum necessary for the transaction of the business of the Board of Directors shall, save as otherwise determined by the Board of Directors, be at least half the number of directors in person or by proxy or, in the case of corporate or institutional Director by a duly authorized representative of such Director, one of whom must be the Chairman.
55. Each Director shall have one vote, and except as otherwise provided in these Articles. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes.
56. In case of an equality of votes, the Chairman shall have a second or casting vote.

57. The Chairman or a Director may, and the Secretary on the requisition of the chairman of the Board of Directors or a Director shall, at any time summon a meeting of the Board of Directors by notice served upon all the Directors.
58. Notice of a meeting of the Board of Directors shall be deemed to be duly given to a Director if it is given to him personally, in writing or by word of mouth, or sent to him at his last known address or any other address or any other address given to him to the Association for this purpose. A Director may consent to short notice of any may waive notice of any meeting of the Board of Directors any such waiver may be retrospective. A Director who is absent for three (3) consecutive meetings shall not be entitled to notice of a meeting of the Board of Directors.
59. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office; so that if no chairman of the Board of Directors is elected, or if at any meeting the chairman of Board of Directors is not present within fifteen (15) minutes after the time appointed for holding the same or is unwilling to act or is absent from Hong Kong or has given notice to the Association of his intention not to attend the meeting, the Directors present shall choose one of their number to be chairman of the meeting so that for the purposes of such a meeting and any matters incidental thereto, the chairman so chosen shall be deemed to be the chairman of the Board of Directors for the purposes of these Articles.
60. The Chairman or any member of the Association duly authorized by the Board of Directors shall represent the Association in all its matters externally.
61. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under these Articles for the time vested in the Board of Directors generally.
62. The Board of Directors may from time to time appoint committees consisting of such Director or Directors as they think fit, and may delegate any of its powers to any such committees and from time to time revoke any such delegation and discharge any such committees wholly or in part. Any committee so appointed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board of Directors. The meetings and proceedings of any such committees shall be governed mutatis mutandis by the provisions of these Articles for regulating the meetings and proceedings of the Board of Directors so far as applicable and so far as the same are not superseded by any regulations made by the Board of Directors hereunder.
63. All acts bona fide by any meeting of the Directors of a committee of Directors or by any person acting as a Director shall, **notwithstanding** that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such person or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every person had been duly appointed and was qualified to be a Director or member of any committee.
64. A resolution in writing, signed by all the Directors for the time being entitled to receive notice of meeting of the Board of Directors, shall be valid and effectual as if it had been passed at a meeting of the Board of Directors duly convened, held and constituted. A written notification of confirmation of such resolution in writing sent by a Director shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents, each signed by one or more Directors or members of the committee (as the case may be).

INTERESTS OF DIRECTORS

65. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Association shall declare the nature of his interest in accordance with the provisions of the Ordinance. A general notice given to the Board of Directors by a Director to the effect that he is a member or a director of a specified company or firm, and is to be regarded as interested in any contract, arrangement or dealing which may, after the date of the notice, be entered into or made with that company or firm, shall, for the purpose of this Article, be deemed to be a sufficient disclosure of interest in relation to any contract, arrangement or dealing so entered into or made. Without prejudice to the generality of the foregoing, a Director shall give notice to the Association of such matters relating to himself as may be necessary for the purposes of sections 155B, 158, 161 and 161B of the Ordinance.
66. A Director shall not be entitled to vote as Director in respect of any contract or arrangement in which he is interested or any matter arising **there from**, and if he shall so vote his vote shall not be counted, and he shall not be taken into account in determining the quorum for the meeting at which any such contract or arrangement is to be considered.

SECRETARY

67. The secretary shall be appointed by the Board of Directors for such term, at such remuneration and upon such conditions as the Board of Directors think fit; and the Board of Directors may remove any secretary so appointed.

THE SEAL

68. The Board of Directors shall procure the Seal to be made for the Association, and shall provide for the safe custody thereof. The Seal of the Association shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors or a committee authorized by the Board of Directors in that behalf, and every instrument to which the Seal shall be affixed shall be signed by two Directors or any one Director and the Secretary or such other person as the Directors may appoint for the purpose and favour of any purchaser or person bona fide dealing with the Association, such signature or signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

AUDIT AND ACCOUNTS

69. The Board of Directors shall cause proper books of account to be kept with respect to
- (a) all sums of money received and expended by the Association and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Association;
 - (c) all donations, funds, grants and other moneys received and extended by the Association; and
 - (d) the assets and liabilities of the Association.
70. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Association 's affairs and to explain its transactions.
71. The books of account shall be kept at the Office of the Association, or, subject to the Ordinance, at such other place or places as the Association shall think fit, and shall always be open to the inspection of the Directors.

72. The Board of Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Association or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a director) shall have any right of inspecting any account of books or documents of the Association except as conferred by statute or authorized by the Board of Directors or by the Association in general meeting.
73. The Board of Directors shall from time to time in accordance with the provisions of the Ordinance, cause to be prepared and to be laid before the Association in general meeting such accounts and reports as are required by the Ordinance.
74. A copy of every balance sheet (including every document required by law to be annexed to it) which is to be laid before the Association in general meeting, together with a copy of the Board of Directors' report and a copy of the Auditor's report, shall not less than fourteen (14) days before the date of the meeting be sent to every member of the Association. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address of the Association is not aware.
75. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Ordinance.

NOTICES

76. Any notice or other documents to be given or issued to the Members may be served by the Association upon any Member either personally or by sending it by mail, postage prepaid or verifiably signed Email, addressed to such Member at his registered address or at the submitted email ID, and, in any case where the registered address of a Member is outside Hong Kong, by prepaid airmail.
77. Each Member shall, from time to time, notify in writing to the Association some place, which shall be deemed his registered address within the meaning of the last preceding Article.
78. Any notice sent by mail or email shall be deemed to have been served in the case where the Member's registered address is in Hong Kong on the day following that on which the notice is mailed in Hong Kong and in any other case of the fifth day after day of mailing. In providing such service it shall be sufficient to prove that the notice was properly addressed and mailed, postage prepaid.
79. Any summons, notice, order or other document required to be sent to or served upon the Association, or upon any officer of the Association, may be sent or served by leaving the same of sending it through the post in a prepaid letter, envelope or wrapper, addressed to the Association or to such officer at the Office or by verifiably signed emails.
80. The signature to any notice to be given by the Association may be written or printed including by verifiably signed emails.
81. In reckoning the period for any notice given under these Articles, the day on which notice is served, or deemed to be served, and the day for which such notice shall be excluded.

INDEMNITY

82. Every director or other officer and Auditor for the time being of the Association shall be indemnified out of the assets of the Association against any liability incurred by him in relation to the Association in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 358 of the Ordinance in which relief is granted to him by the court.

WINDING UP

83. The provisions of Clause VI and Clause VII of the Memorandum of Association relating to winding up and dissolution of the Association shall have effect as if the provisions thereof were repeated in these Articles and herein set forth at length.

84. If upon a winding up or dissolution of the Association, there remains, after satisfaction of all the debts and liabilities, any property, whatsoever, the same shall not be distributed amongst the members of the Association but shall be given or transferred to such other person, being an Association, Institution, Company, Organization etc., having objects similar to the objects of the Association, to be determined by the members of the Association at or before the time of dissolution or in default thereof by the competent Court of Judicature that has or may acquire jurisdiction in the matter.

Names, Addresses and Descriptions of Signatories

(Sd) MANDANNA, KELAPANDA ACHAPPA BHARATH
r/o O NO 48/136
N.No. 3/191
MUDIS TOWN
SOUTH NORTH MUDIS
VALPARAI
COIMBATORE – 642117
TAMILNADU
INDIA

(Sd) RAJARATNAM, GNANASEKARAN
r/o BIO TA PROJECT
P.O. BOX 2
HALDUMMULLA
SRI LANKA

(Sd) HABIB, MOHAMMED
r/o 19 TUALESIA STREET
SIMLA
LAUTOKA
FIJI

Dated: 6 January 2014

WITNESS to the above signatures: