

Chapter 8 General Meetings of Owners' Corporation

Convening a general meeting of the OC

- Annual general meeting –
 - ◆ the MC shall convene the first annual general meeting of the OC not later than 15 months after the date of the registration of the OC;
 - ◆ thereafter, the MC shall convene an annual general meeting within 12 to 15 months after the date of the previous annual general meeting.
- The MC shall convene a general meeting of the OC at any time for such purposes as it thinks fit.
- The MC chairman shall convene a general meeting of the OC at the request of not less than 5% of the owners for the purposes specified by such owners within 14 days of receiving such request, and hold the general meeting within 45 days of receiving such request.
 - ◆ 5% of the owners should be counted in terms of the number of owners, without regard to the shares owned by the owners.

Para 1(1) of Sch. 3

Para 1(2) of Sch. 3

Section 5B and Sch. 11

What is the difference between convening and holding a meeting ?

In this case, convening a meeting means giving notice of the meeting, whereas holding a meeting means causing it to actually take place.

- Where the number of vacancies occurring in the offices of MC members is more than 50% of the number of MC members, the MC chairman (if the office of the MC chairman is vacant, the person appointed from amongst the remaining MC members) may convene a general meeting of the OC and at such general meeting only the resolutions with regard to filling the vacancies shall be passed.

Para 6A of Sch. 2

Notice of meeting

The 14-day notification period includes the day of issue of the notice of meeting, but excludes the day of the meeting. Public holidays, Saturdays and Sundays are included. Despite the above, it is always advisable to allow a few more days in giving the notice of meeting.

- The MC secretary shall, at least 14 days before the date of the general meeting of the OC,
 - ◆ give notice of the meeting to each owner and the tenants' representative (if any); **and**
 - ◆ display the notice of meeting in a prominent place in the building.
- The notice of meeting given by the MC secretary may be –
 - ◆ delivered personally to the addressee;
 - ◆ sent by post to the addressee at his last known address; or
 - ◆ left at the flat of the addressee or deposited in the letter box for that flat.
- The notice of meeting shall specify –
 - ◆ the date, time and place of the meeting; **and**
 - ◆ the resolutions that are to be proposed at the meeting or other matters that are to be discussed at the meeting.

Para 2(1) of Sch. 3

Para 2(2) of Sch. 3

Para 2(1A) of Sch. 3

Para 2(1AA) of Sch. 3



It should be noted that no resolution passed at any general meeting of the OC shall have effect unless the same was set forth in the notice of meeting or is ancillary or incidental to a resolution or other matter so set forth.

Para 3(7) of Sch. 3

Person presiding over a meeting

- A general meeting of the OC shall be presided over by –
 - ◆ the MC chairman; or
 - ◆ in the absence of the MC chairman, the MC vice-chairman (if any);
 - ◆ in the absence of the MC chairman and vice-chairman (if any), a person appointed by the owners present at the meeting from amongst themselves.

Para 3(1) of Sch. 3

Quorum

- normally 10% of the owners;
- 20% of the owners, in the case of dissolving the MC and appointing an administrator under section 30 of the BMO.

Para 5(1) of Sch. 3

How to count the quorum?

The quorum should be counted in terms of the number of owners, without regard to the shares owned by the owners. For instance, if the total number of owners is 100, then normally the quorum of a general meeting of the OC is 10.

Section 5B and Sch. 11

How to count the number of owners?

Form	Illustration	To be counted as
Multiple ownership of 1 flat	1 flat with 3 co-owners	1 owner
1 owner owning a number of flats	1 owner owning 35 flats	1 owner
Person holding proxy	1 person holding a proxy from 1 owner	1 owner
	1 owner holding a proxy from another owner	2 owners
	1 person holding proxies from 100 owners	100 owners
	35 persons holding proxies from 100 owners in aggregate	100 owners

Sch. 11

Appointment of proxy

- At a general meeting of the OC, an owner may cast a vote personally or by proxy. A proxy appointed by an owner shall, for the purposes of the meeting, be treated as being the owner present at the meeting.
- The instrument appointing a proxy shall be in the statutory form set out in Form 2 in Schedule 1A to the BMO (**Appendix 8**).

Para 4(1) and 5(2) of Sch. 3

Para 4(2) of Sch. 3

Many OCs will prepare proxy forms for use by owners –

- The MC must ensure that the proxy form it prepared is in the statutory form set out in Form 2 in Schedule 1A to the BMO.
- The proxy form may be attached to the notice of meeting or be available at the management office for use by owners.
- The MC is advised to attach to the proxy form a statement of purposes (a sample is at **Appendix 9**), stating the purposes of collecting personal data of owners.

- The statutory form of the instrument of proxy can be downloaded from HAD's Homepage on Building Management (www.buildingmgt.gov.hk).
- The instrument of proxy shall be lodged with the MC secretary at least 48 hours before the time for the holding of the meeting.
- Upon receipt of the instrument of proxy, the MC secretary shall –
 - ◆ issue a receipt (a sample is at **Appendix 10**) to all the owners who have lodged the instruments of proxy to acknowledge receipt of the instrument before the time for the holding of the meeting. The receipt may be left at the flat of the owner or deposited in the letter box for that flat.
 - ◆ prepare a list (a sample is at **Appendix 11**) setting out the information of all the flats with instruments of proxy lodged. The list shall be displayed in a prominent place at the place of the meeting before the time for the holding of the meeting and shall remain so displayed until the conclusion of the meeting.
- The MC chairman (or if he is absent, the person who presides at the meeting) shall determine the validity of the instrument of proxy received in accordance with the requirements under the BMO.

Para 4(3) of Sch. 3

Para 4(5)(a) of Sch. 3

Para 4(5)(b) of Sch. 3

What are the requirements for an instrument of proxy to be valid?

- ✓ The instrument shall be in the form set out in Form 2 in Schedule 1A;
- ✓ It shall be signed by the owner, or if the owner is a body corporate (e.g. a company or a society etc.), shall be impressed with the seal or chop of the body corporate and signed by a person authorized by the body corporate for the purposes of the general meeting; **and**
- ✓ It shall be lodged with the secretary of the management committee at least 48 hours before the time for the holding of the meeting.

Para 4(4) of Sch. 3

If the MC chairman has determined that certain instruments of proxy are invalid, is the MC secretary still required to issue acknowledgement receipts for these instruments and set out the information of such flats on the list displayed?

The MC secretary shall issue acknowledgement receipts for **all** instruments of proxy received and display a list setting out the information of the owners' flats, irrespective of the validity of the instruments.

Nevertheless, if the MC chairman has decided that certain instruments are invalid, he may contact the owners concerned and explain the matter to them. The owners may consider whether to attend the general meeting of the OC in person. In addition, the MC secretary may put a mark on the list against the flats of the owners concerned for ease of identification.

- The MC shall keep all instruments of proxy that have been lodged with the MC secretary for a period of at least 12 months after the conclusion of the meeting.

Para 4(6) of Sch. 3

Voting at the meeting

- With the two exceptions listed below, all matters arising at a meeting of the OC shall be decided by a majority of the votes of the owners voting either personally or by proxy.
- The two exceptions are –
 - ◆ appointment of MC members, chairman, vice-chairman (if any), secretary and treasurer at a general meeting of the OC, which shall be made by using the “first past the post” voting system;
 - ◆ change of name of the OC which shall be decided by a resolution passed by not less than 75% of the votes of the owners at a general meeting of the OC.

Para 3(3) of Sch. 3

Section 10(1)(b)

How to determine whether a resolution is passed by a majority of votes? Will abstentions be counted?

In determining whether a resolution is passed by a majority of the votes of owners, the following shall be disregarded –

- ✗ owners who are not present at the meeting;
- ✗ owners who are present at the meeting but do not vote;
- ✗ blank or invalid votes;
- ✗ abstentions.

It should be noted that a proxy appointed by an owner to attend and vote on behalf of the owner at a meeting of the OC shall be treated as being the owner present at the meeting.

Section 2B

- An owner shall, unless the DMC provides otherwise, have one vote in respect of each share he owns.
 - ◆ If a registered mortgagee is in possession of an owner's flat, such mortgagee shall, to the exclusion of the owner, be entitled to exercise the voting rights of such owner.

- If two or more persons are the co-owners of a share,
 - ◆ the vote in respect of the share may be cast –
 - (a) by a proxy jointly appointed by the co-owners;
 - (b) by a person appointed by the co-owners from amongst themselves; or
 - (c) if no appointment is made under (a) or (b), either by one of the co-owners personally or by a proxy appointed by one of the co-owners.
 - ◆ Where more than one of the co-owners seeks to cast a vote in respect of the share, only the vote that is cast, whether personally or by proxy, by the co-owner whose name, in order of priority, stands highest in relation to that share in the register kept at the Land Registry shall be treated as valid.

- With the exception of the appointment of MC members, chairman, vice-chairman (if any), secretary and treasurer, if there is an equal number of votes, the person presiding over the meeting shall have, in addition to a deliberative vote, a casting vote.

Para 3(5)(a) and 3(6) of Sch. 3

Para 3(5)(b) and 3(5)(c) of Sch. 3

Para 3(4) of Sch. 3

The MC should put clearly on record the voting result of each resolution. To facilitate vote counting, an “Easy Count” vote-counting computer programme can be downloaded from the HAD Homepage on Building Management (www.buildingmgt.gov.hk).

Meeting procedure

The procedure at a general meeting of the OC shall be determined by the OC.

Para 7 of Sch. 3

Adjourned meetings

- If a general meeting of the OC is adjourned, the above requirements with regard to the giving of notice of the meeting, the person who presides at the meeting, the quorum of the meeting, the appointment of proxy and the casting of votes shall also apply to the adjourned meeting.
- A valid instrument appointing a proxy for the original meeting shall remain valid for the adjourned meeting, unless –
 - ◆ the owner has crossed out the words “and at any adjournment thereof” in the instrument;
 - ◆ the instrument is revoked (e.g. the owner will attend the adjourned meeting in person or has requested the MC before the adjourned meeting to revoke the instrument of proxy); or
 - ◆ the instrument is replaced by a new instrument.

Para 5A of Sch. 3



It should be noted that an adjourned meeting is a continuation of the original meeting. Thus, the owners can only pass resolutions with regard to items that have not been resolved at the original meeting. Should the owners want to pass resolutions on items not set out in the notice of the meeting of the original meeting, they should convene a new general meeting of the OC.

Minutes of meeting

- The minutes of every general meeting of the OC shall be certified by the person presiding over the meeting as containing a true record of the proceedings of the general meeting.
- The MC secretary shall display the certified minutes in a prominent place in the building within 28 days of the date of the general meeting for 7 consecutive days.
- The certified minutes shall be kept by the MC for such period, being not less than 6 years, as the OC may determine.
- The following persons may request in writing the OC to supply him with copies of any certified minutes –
 - ◆ an owner;
 - ◆ a registered mortgagee;
 - ◆ the tenants' representative; or
 - ◆ any person duly authorized in writing by the owner or registered mortgagee.

The MC secretary shall supply such copies to the person making the request, upon receipt of a reasonable copying charge.

The copying charge shall be determined by the MC. To facilitate owners' access to information on matters discussed at a general meeting of the OC, the MC is advised to set the copying charge at a low level.

Para 6(1) and (2) of Sch. 3

Para 6(3) of Sch. 3

Para 6A(1) of Sch. 3

Para 6A(2) of Sch. 3