

LCQ7: Quorum at meetings of Owners' Corporations

\*\*\*\*\*

Following is a question by the Hon Ambrose Cheung and a written reply by the Secretary for Home Affairs, Mr David Lan, in the Legislative Council today (Wednesday):

Question:

Regarding the quorum at a meeting of an Owners' Corporation as provided in paragraph 5 of the third schedule to the Building Management Ordinance (Cap. 344), will the Government inform this Council whether, in calculating the quorum :

- (a) the total number of owners or the number of shares owned by the owners is taken as the basis for calculation; and
- (b) representatives authorized by owners to attend the meeting of the corporation count towards the quorum; if so, whether the calculation is based on the total number of authorized representatives, the number of owners who appoint these representatives or the number of shares owned by the owners who appoint these representatives; in other words, when 100 owners appoint the same one person as their representative to attend the meeting of the corporation, in the calculation of the quorum, whether the representative is regarded as one person or 100 persons; on the other hand, when 100 owners appoint 35 persons as their representatives to attend the meeting, whether those representatives are regarded as 35 persons or 100 persons?

Reply:

Madam President,

My response to the above question is as follows:

- (a) Paragraph 5 of the Third Schedule to the Building Management Ordinance (the Ordinance) (Cap. 344) provides that the quorum at a meeting of an Owners' Corporation shall meet the following requirements -
  - (i) 20% of the owners, in the case of a meeting at which a resolution for the dissolution of the management committee under section 30 is proposed; or
  - (ii) 10% of the owners in any other case.

The percentages mentioned in the above Ordinance are calculated on the basis of the number of owners rather than the number of shares owned by them.

(b) Paragraph 4(1) of the Third Schedule to the Ordinance stipulates that at a meeting of the corporation the votes of owners may be given either personally or by proxy. Having consulted the Department of Justice, I was informed that representatives authorized by owners to attend a meeting of the corporation count towards the quorum referred to in paragraph 5 of the Third Schedule to the Ordinance, and that the calculation is based on the number of owners who appoint these representatives.

In the example cited by the Hon Ambrose Cheung Wing-sum, when 100 owners appoint the same one person as their representative to attend the meeting of the corporation, the representative is regarded as 100 persons in the calculation of quorum; similarly, when 100 owners appoint 35 persons as their representatives to attend the meeting, those representatives are regarded as 100 persons.

Thank you Madam President.

End/Wednesday, June 2, 1999

NNNN