

**HR Administration & Strategy Association**  
The Charter of the Founding Members' Conference  
**August 25th, 2010**

**HR Administration & Strategy Association**

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# The Charter of the Founding Members' Conference of HR Administration & Strategy Association August 25<sup>th</sup>, 2010

## 1 General Provisions

### 1.1 The Purpose

- 1.1.1 This Charter is formulated as to set up the HR Administrators & Specialists Association and better serve the HR professionals.

### 1.2 The Scope and Application

- 1.2.1 HR Administration & Strategy Association (Hereinafter referred as "HASA") is a non-profit industry-wide for HR practitioners, dedicating to regulating HR industry, improving professionalism, advancing workforce's capabilities and employment;
- 1.2.2 HASA is NOT affiliated to any commercial entities. HASA is a country-level HR association to be officially sanctioned by China government;
- 1.2.3 HASA sets no restrictions to the member's location, nationality, ethnics, religion, age, gender and the employer's origin of investment;
- 1.2.4 All rights and interests of HASA are attributed to its members. The Member Representatives' Conference is the top organ of authority of HASA. In the preparatory period, the Founding Members' Conference is the top agency of power;
- 1.2.5 The "Founding Members' Conference" (Hereinafter referred as "FMC") of HR Administrators & Specialists Association mentioned herein is constituted voluntarily by senior HR executives, top corporate executives and academic experts, for the objective of setting up HR Administrators & Specialists Association;
- 1.2.6 The FMC refers to the executive organ in which the founding members achieve resolutions through collaborative decision-making mechanism. The FMC is the top organ of authority during the preparatory period of HASA. Once HASA is officially sanctioned, the Member Representatives' Conference shall replace the FMC as the top organ of HASA and the FMC will automatically become the first session of the Board of Directors of HASA.

### 1.3 The Mission

- 1.3.1 To support the government in terms of advancing the quality of the community's workforce, optimizing the talent structure, in order to promote employment;
- 1.3.2 To contribute to expediting the construction for modern industrial systems by ensuring the quality and efficiency of economic growth from HR angel. Through setting up benchmarks, rules and standards, educating & information exchanging, to promote HR professional successors and upgrade the level of HR management;
- 1.3.3 To bridge between the government and economic entities in human resources management. To build up and maintain communication and interaction with the government from HR perspective to provide advice for the government's public decision-making, and create positive social environment for HR management, therefore contributes to ensuring the quality and effectiveness of economic growth and advancing the development of modern industrial system.

### 1.4 The Vision

- 1.4.1 HR Administrators & Specialists Association dedicates to communicating and consolidating the HR theories, methodologies and practices of both China and global regions to represent the advanced HR management models, helping multinationals in terms of localization and promoting China economy to globalize operations, and advancing the competitiveness of China's talents.

### 1.5 The Mission for the FMC

- 1.5.1 Based on the principle and methodology of organizing and advancing researches & communications in human resources management as to promote innovation of HR theories and practices, dedicate to setting up the professional network and industry-wide association for human resources professionals that fits China markets: i.e. HR Administrators & Specialists Association.

### 1.6 Powers of the FMC

- 1.6.1 Under the Founding Members' Conference, there will be 3 standing bodies, i.e. the Drafting Committee [\[R1\]](#), the Preparatory Committee [\[R2\]](#) and the Board of Supervisors [\[R3\]](#). The Committees shall be fully responsible for all day-to-day issues of HASA during the adjournment of the FMC. The Drafting Committee will be in charge of all academic issues like rules, regulations, charters and all coming HR professional matters. The Preparatory Committee will be responsible for the organizing and operations of HASA, while the Board of Supervisors will oversee all disciplinary matters to ensure all activities of the association comply with the charters, laws and codes of ethic.
- 1.6.2 The Founding Members' Conference has the power to determine all related policies that apply to the range of whole HASA like charters, regulations, rules, standards, criteria and etc., the power to determine the governance and organization, the power to determine attributions of ownership, intellectual property and copyrights, the power to determine the financing and income distribution while HASA executes its missions and responsibilities,

and the power to determine the qualifications of membership and the duties, powers and interests of being a member;

- 1.6.3 This charter shall be valid until HASA is formally sanctioned and registered and shall be replaced by the charters of HASA.

## **2 Constitution, Duties & Powers & Interests of the Founding Members' Conference**

### **2.1 Purpose and Constitution of the FMC**

- 2.1.1 The FMC refers to the executive organ in which the founding members achieve resolutions through collaborative decision-making mechanism. The FMC is the top organ of authority during the preparatory period of HASA. Once HASA is officially sanctioned, the Member Representatives' Conference shall replace the FMC as the top organ of HASA and the FMC will automatically become the first session of the Board of Directors of HASA.
- 2.1.2 Under the Founding Members' Conference, there will be 3 standing bodies, i.e. the Drafting Committee, the Preparatory Committee and the Board of Supervisors. The committees shall be fully responsible for all day-to-day issues of HASA during the adjournment of the FMC.
- 2.1.3 Qualifications of the Founding Member
- 2.1.3.1 The founding member of HASA must be a natural person. The founding member shall possess at least 10+ years' experiences at the position of HR head of at least country level or above (e.g. China HR head or AP HR head), or shall be a senior corporate executive or an authoritative scholar of HR management or business administration from distinguished institutions. The qualified applicant who admits & acknowledges this Charter and conforms to the duties of the founding member shall be accepted as a founding member after approved by the FMC;
- 2.1.3.2 Individual HR practitioners, senior business executives or scholars who meet the qualifications of the founding member and acknowledge this charter shall be accepted as founding members, upon invitations from the Preparatory Committee of HASA;
- 2.1.3.3 The founding member shall be valid only after the person has completed the registration procedures and submitted to HASA the personal profile and information as required.

### **2.2 Duties and Powers and Interests of the FMC**

- 2.2.1 Powers & Interests of the FMC
- 2.2.1.1 To determine all charters, regulations, rules, criteria, standards and related policies that apply to the range of the whole HASA;
- 2.2.1.2 To determine the governance and organization of HASA;
- 2.2.1.3 To nominate & vote for the candidates for the committees of the Founding Members' Conference;
- 2.2.1.4 To determines the ownership of related intellectual property, copyrights and authorship and their distributions;
- 2.2.1.5 To determines the financing and income while HASA executes its mission and responsibilities;
- 2.2.1.6 To determines the entry qualification, duties, powers and interests of members of HASA.
- 2.2.2 Duties of the FMC
- 2.2.2.1 To formulate & approve the charters of HASA;
- 2.2.2.2 To Formulate & approve the criteria, rules and benchmarks of HR industry, with which to improve HR incumbents' professionalism, evaluate the organizational HR management level and to advance the society's workforce progress;
- 2.2.2.3 To promote membership;
- 2.2.2.4 To initiate the professional education of HR management and develop new generations of HR professionals;
- 2.2.2.5 To organize and promote HR incumbents initiate professional activities;
- 2.2.2.6 To process international cooperation and build up sharing mechanism for academic and practice materials;
- 2.2.2.7 To participate in consultancy for related government organs, research or academic institutions or business entities in area of human resources development;
- 2.2.2.8 Other issues as determined by the FMC.

### **2.3 Duties and Powers and Interests of the Founding Member**

- 2.3.1 Powers & Interests
- 2.3.1.1 To Participate the FMC or the professional events organized by the FMC;
- 2.3.1.2 To access to the necessary material conditions or convenience provided by the FMC in order to initiate professional researches or communications;
- 2.3.1.3 To share editorials, articles, publications or other types of HR research and practice organized by the FMC;
- 2.3.1.4 Owns the rights to share the income of the corresponding intellectual property & copyrights while HASA executes its mission;
- 2.3.1.5 To advise or suggest to the activities of the FMC;
- 2.3.1.6 To elect or be elected within the framework of the Charter of the Founding Members' Conference;

- 2.3.1.7 To advise and vote to the proposals raised by HASA within the framework of the Charter of the Founding Members' Conference;
- 2.3.1.8 Perpetually exempt from membership fee;
- 2.3.1.9 Automatically appointed to be the member of the first session of the Board of Directors as HASA is officially sanctioned;
- 2.3.1.10 Entitled to the lifetime honor of “the Founder of HASA”.
- 2.3.2 Duties
  - 2.3.2.1 To conform to the charters of HASA and exercise the resolutions approved by the FMC;
  - 2.3.2.2 To participate the events organized by HASA;
  - 2.3.2.3 To provide HASA with articles or other types of HR research and practice;
  - 2.3.2.4 To exercise duties as assigned by the FMC.
- 2.4 Adjustment of the FMC**
  - 2.4.1 The natural person meeting the qualifications of the founding member should apply to the FMC and shall be accepted as a founding member after approved by the FMC, or should be invited by the Preparatory Committee and approved by the FMC.
  - 2.4.2 The time for applying for founding membership shall expire on the date when HASA is officially sanctioned;
- 2.5 Adjustment of the Founding Member**
  - 2.5.1 The founding member who notifies the FMC or the Preparatory Committee of resignation in written form shall be granted as voluntary resignation once the notification is approved by the FMC;
  - 2.5.2 If the founding member does not participate any events or does not execute resolutions determined by the FMC within one year without the acceptable reason is regarded as voluntary resignation;
  - 2.5.3 If the founding member fails to complete registration procedures before the deadline, HASA shall waive the said individual's identity as a founding member and the corresponding powers & interest;
  - 2.5.4 The founding member who seriously violates this charter shall forfeit the membership of the FMC upon approval by the FMC;
  - 2.5.5 The post and corresponding interests of the founding member is a perpetual tenure and is non-transferrable.
- 3 Constitution, Duties & Powers & Interests of the Drafting Committee [R1]**
  - 3.1 Purpose and Constitution of the Drafting Committee**
    - 3.1.1 The purpose of setting the Drafting Committee is to organize and conduct all professional and academic activities of HASA, in order to achieve the missions and visions of HASA.
    - 3.1.2 The Drafting Committee comprises subcommittees in accordance with the modules of HR management. Each subcommittee shall have the chairpersons elected by the corresponding subcommittee. The said subcommittees are:
      - 3.1.2.1 Organization Development;
      - 3.1.2.2 Talent Management;
      - 3.1.2.3 Mobility & Staffing;
      - 3.1.2.4 Compensation & Benefits;
      - 3.1.2.5 Learning & Development;
      - 3.1.2.6 Employee Relation.
    - 3.1.3 Qualifications of the Drafting Committee Member:
      - 3.1.3.1 The member of the Drafting Committee should be a senior HR executive, or a top corporate executives with 10+ experiences or an authoritative scholar from academic or research institutions;
      - 3.1.3.2 The candidate shall be nominated by a founding member and the designation will come to effective only after approved by the FMC.
  - 3.2 Duties and Powers and Interests of the Drafting Committee**
    - 3.2.1 Powers & Interests
      - 3.2.1.1 To determine all related policies that apply to professional activities of HASA under the Charter for the Founding Members' Conference and the related resolutions as approved by the Founding Members' Conference;
      - 3.2.1.2 To nominate & vote for chairpersons of the subcommittees;
      - 3.2.1.3 The Drafting Committee member shall share with HASA the corresponding parts of the intellectual property, copyrights and rights of authorship which the said member contributes;
      - 3.2.1.4 The Drafting Committee member shall share with HASA the corresponding parts of the income generated from the intellectual property & copyrights while HASA executes its missions;
      - 3.2.1.5 The Drafting Committee member shall automatically become the member of the first session of the Committee of Academy once HASA is formally registered;
      - 3.2.1.6 The Drafting Committee member shall be entitled to the lifetime honor of HASA draftsman.
    - 3.2.2 Duties
      - 3.2.2.1 To be responsible for all professional & academic affairs of HASA;
      - 3.2.2.2 To draft & revise HASA charters, regulations, rules and other documents that governing HASA



operation and HR industry;

- 3.2.2.3 To provide materials, documentation, cases, data and other experiences to HASA to ensure HASA documents are properly drafted and revised;
- 3.2.2.4 To support the promotion, seminar, publication and other charity events as assigned by the government;
- 3.2.2.5 To be responsible to the Founding Members' Conference.

### **3.3 Adjustment of the Drafting Committee**

- 3.3.1 Within the framework of the Charter of the Founding Members' Conference, each committee owns the discretionary rights to evaluate the performance of its members, through democratic voting procedures;
- 3.3.2 As to guarantee efficiency of the committee to achieve the working objectives, the chairpersons of subcommittees have the rights to request the Founding Members' Conference to adjust the headcount of the Drafting Committee;
- 3.3.3 If there are 1/3 or above committee members serve HR service industry as vendors, including any industries of interest related with HASA and its members, the Drafting Committee shall dissolve automatically and be reorganized immediately;
- 3.3.4 If the Board of Supervisors submits impeachment on the Drafting Committee to the Founding Members' Conference, once the impeachment is passed by voting, the Drafting Committee shall automatically dissolve and be reorganized immediately.

### **3.4 Adjustment of the Drafting Committee Member**

- 3.4.1 Due to career change or personal will, if the committee member is not able to continuously provide time, efforts and professional contributions to HASA development, the individual may apply to resign from the Drafting Committee;
- 3.4.2 If the committee member frequently fails to join professional activities as determined by the Drafting Committee, the individual shall exit the Drafting Committee;
- 3.4.3 If the committee member frequently fails to submit professional achievements, the individual shall automatically waive the position of the committee member;

## **4 Constitution, Duties & Powers & Interests of the Preparatory Committee [R2]**

### **4.1 Purpose and Constitution of the Preparatory Committee**

- 4.1.1 The purpose of the Preparatory Committee is to organize, communicate and coordinate day-to-day operations of HASA. The Preparatory Committee serves the FMC and executes the resolutions as approved by the FMC.
- 4.1.2 To widely represent the wills of all members of HASA, the Preparatory Committee consists of the following persons:
  - 4.1.2.1 Concurrently occupied by heads of the subcommittees of the Drafting Committee;
  - 4.1.2.2 Elected by the FMC;
  - 4.1.2.3 Delegated by Pudong New Area Association of Enterprises with Foreign (Domestic) Investment (PAEFI/PAEDI), the governmental monitoring organ of HASA at the preparatory stage;
  - 4.1.2.4 Delegated by China Human Resources Development & Advancement Funds <sup>[R4]</sup>.
- 4.1.3 There are the below committee members in the Preparatory Committee:
  - 4.1.3.1 The head of each subcommittee of the Drafting Committee as the member of academy of the Preparatory Committee;
  - 4.1.3.2 The committee member of governance and government affairs;
  - 4.1.3.3 The committee member of finance;
  - 4.1.3.4 The committee member of marketing & operation.
- 4.1.4 The Preparatory Committee adopts mechanism of Director-General-on-Duty. Each member of the committee undertakes the position as the Director-General-on-Duty, in charge of all day-to-day operations of the committee. The responsibilities of the Director-General-on-Duty are listed below:
  - 4.1.4.1 To coordinate communication in between each member of the committee;
  - 4.1.4.2 To supervise and guide the committee members to achieve the set working targets;
  - 4.1.4.3 To organize and chair the committee meetings.
- 4.1.5 There is a secretariat affiliated to the Preparatory Committee. At the preparatory stage, the secretariat members are designated by the Human Resources Commission of Pudong New Area Association of Enterprises with Foreign (Domestic) Investment. The secretariat shall be in charge of all general issues of the Preparatory Committee, including but not limited to the day-to-day liaison and the implementation of the affairs as assigned by the Preparatory Committee.
- 4.1.6 Qualifications of the Preparatory Committee Member
  - 4.1.6.1 The committee member should admit & acknowledge the Charter of the Founding Members' Conference. The person is required to have at least 10+ years' experiences in HR management or senior corporate management. The person can be a senior HR executive, a top corporate executives or an authoritative scholar of HR management or business administration from distinguished institutions. The person is willing to voluntarily devote and dedicate to establishing HASA, serving HR practitioners. The applicant should submit application to the FMC. Once the application is approved by FMC, the person shall join the Preparatory Committee.

## **4.2 Duties and Powers and Interests of the Preparatory Committee**

### **4.2.1 Powers & Interests**

- 4.2.1.1 To determine all related policies that apply to the operations of HASA under the Charter for the Founding Members' Conference and the related resolutions as approved by the Founding Members' Conference;
- 4.2.1.2 Owns the decision-making & executing powers of HASA operations under the Charter for the Founding Members' Conference and the related resolutions as approved by the Founding Members' Conference;
- 4.2.1.3 Owns the power to propose for and execute the income and distribution of HASA;
- 4.2.1.4 Owns the decision-making & executing powers of external cooperation for HASA;
- 4.2.1.5 Owns the decision-making & executing powers of HASA marketing & branding promotion;
- 4.2.1.6 Owns the decision-making & executing powers of all governmental, legal and public affairs for HASA;
- 4.2.1.7 After HASA is officially sanctioned, the member of this committee is entitled to the priority of being nominated for the first session of the Board of Executives of HASA.

### **4.2.2 Duties**

- 4.2.2.1 To establish HASA within the framework as determined by the resolutions of the Founding Members' Conference and the charters of HASA;
- 4.2.2.2 To recruit qualified HR professionals to join HASA;
- 4.2.2.3 To organize the Founding Members' Conference;
- 4.2.2.4 To support HASA to conduct all professional and academic activities;
- 4.2.2.5 To formulate and review the working plans and action schedules of the Preparatory Committee;
- 4.2.2.6 To determine all administrative and operational issues of HASA under the charters of HASA and within the authority empowered by the Founding Members' Conference;
- 4.2.2.7 To be responsible to the Founding Members' Conference.

## **4.3 Adjustment of the Preparatory Committee**

- 4.3.1 As to guarantee efficiency of the committee to achieve the working objectives, the Board of Directors of China Human Resources Development & Advancement Funds has the power to require the Founding Members' Conference to review the headcount of the Preparatory Committee;
- 4.3.2 If there are 1/3 or above committee members serving HR service industry as vendors, including any industries of interest related with HASA and its members, the Preparatory Committee shall automatically dissolve and be reorganized immediately;
- 4.3.3 If the Board of Supervisors submits impeachment on the Preparatory Committee to the Founding Members' Conference, once the impeachment is passed by voting, the Preparatory Committee shall automatically dissolve and be reorganized immediately.

## **4.4 Adjustment of the Preparatory Committee Member**

- 4.4.1 Due to career change or personal will, if the committee member is not able to continuously provide time, efforts and professional contributions to HASA development, the individual may apply to resign from the Preparatory Committee;
- 4.4.2 If the committee member frequently fails to attend working meetings;
- 4.4.3 If the committee member fails to execute the duties and achieve the targets, the committee member shall automatically waive the position of the committee member;
- 4.4.4 If the Preparatory Committee fails to meet the targets, the Board of Directors of China Human Resources Development & Advancement Funds has the power to request the Founding Members' Conference to depose, re-delegate or re-elect the member of the Preparatory Committee.

# **5 Constitution, Duties & Powers & Interests of the Board of Supervisors [R3]**

## **5.1 Purpose and Constitution of the Board of Supervisors**

- 5.1.1 The purpose of setting the Board of Supervisors is to ensure that all operations of HASA conform to the charters of HASA, in accordance with laws and in line with social moral, and to prevent all disciplinary offensive behaviours, including but not limited to jobbery and academic corruption;
- 5.1.2 Constitution of the Board of Supervisors: the members of the Board of Supervisors come from:
  - 5.1.2.1 Individuals invited by the Board of Directors of China Human Resources Development & Advancement Funds;
  - 5.1.2.2 Individuals invited by the FMC.
- 5.1.3 Qualifications as a member of the Board of Supervisors
  - 5.1.3.1 The person should agree to this Charter and shall be an incumbent as the top HR head from a renowned company, a top corporate executive, or a prestigious scholar of business administration or a social celebrity.

## **5.2 Duties, Powers and Interests of the Board of Supervisors**

- 5.2.1 Powers and Interests
  - 5.2.1.1 To supervise and monitor all professional activities of HASA to ensure they comply with the charters and academic ethics. Owns the power to impeach to the FMC upon disciplinary offensive behaviours;



5.2.1.2 To supervise and monitor the operations of HASA to ensure they comply with the charters and legal requirements. Owns the power to impeach to the FMC upon behaviors against this rule.

5.2.2 Duties

5.2.2.1 To be responsible for all disciplinary affairs of HASA;

5.2.2.2 To be responsible to the FMC.

## **6 China Human Resources Development & Advancement Funds [R4]**

### **6.1 Purpose**

6.1.1 Based on the commonly-recognized operational model of international academic or industry associations, the specific funds of China Human Resources Development & Advancement Funds (hereinafter is referred as “Funds” or “HASA Funds”) shall be established. The purpose of the Funds is to ensure the financing for HASA healthy operation and continuous improvement, meanwhile, the Funds is set to demonstrate value of knowledge and indemnify each HASA member’s accomplishments.

6.1.2 The Funds will be incorporated independently to serve HASA, capitalizing HASA member's achievements and providing financial resources to HASA;

### **6.2 The Constitution of the Funds:**

6.2.1 Capital invested by the investors of the Funds (Including the natural person or the legal entity);

6.2.2 Capital generated from HASA operation and invested by HASA;

6.2.3 Other investments.

### **6.3 Powers & Interests of the Funds:**

6.3.1 The Funds shall be operated in the form of a company. The Board of Directors are elected by the shareholders, exercising operational determining & executing powers.

6.3.2 The Board of Directors of the Funds has the following powers in HASA:

6.3.2.1 The power to evaluate and recognize the performance of the Preparatory Committee;

6.3.2.2 The power to require the Founding Members' Conference to depose, re-delegate or re-elect the member of the Preparatory Committee;

6.3.2.3 As to guarantee efficiency of the committee to achieve the working objectives, the Board of Directors of the Funds has the power to require the Founding Members' Conference to review the headcount of the Preparatory Committee;

6.3.2.4 If the Board of Supervisors submits impeachment on the Preparatory Committee to the Founding Members' Conference, once the impeachment is passed by voting, the Board of Directors of the Funds shall agree to dismiss and re-organize the Preparatory Committee.

## **7 Codes of Ethics**

### **7.1 The Purpose**

7.1.1 To ensure that HASA represents the interests of the founding members, to demonstrate HASA’s principle of “Open, Fair, Unbiased”, all operations of HASA must comply with the following codes of ethics;

7.1.2 If the founding member violates the codes of ethics, the individual shall automatically exit the Founding Members’ Conference, whereas if that behaviour violates the laws, HASA reserves the rights to plead to the judiciary organs.

### **7.2 The Definition**

7.2.1 **The Principle of Balance:** That is, to protect the rights of majority opinions also the minority opinions, as well as the founding members’ opinions who are not able to attend the FMC, and ultimately for the purpose of ensuring the whole interests of all founding members;

7.2.2 **The Principle of Constraints on the Leaders:** That is, while the members empower the rights to the leaders (including but not limited to the heads of the administrative organs of or any other officers or academic leaders of HASA who potentially impact on the group decision-making), members shall reserve their independent rights to directly control the group affairs, without being controlled by the leaders instead;

7.2.3 **The Principle of Majority:** That is, all proposals shall come into force only agreed by at least 2/3 (Two Thirds) of the voting members;

7.2.4 **The Principle of Persuasion:** That is, every member has the rights to persuade other members to accept his/her arguments, until that argument is accepted as a common agreement or a different common agreement is agreed by all members and prevails over the individual argument.

### **7.3 The Mechanism**

7.3.1 Based on the above principles, HASA sets the following mechanisms:

7.3.1.1 **Separation & Balance of Powers:** To ensure the credibility and neutrality of professionalism and academy, meanwhile the operations of HASA should be efficient and, the investment, income and distribution of HASA should be transparent, fair and unbiased, HASA adopts the system of checks & balance, namely the separation of the academic, executive and supervisory powers.

7.3.1.1.1 Under the Founding Members' Conference, there set 3 standing bodies, namely, the Drafting Committee, the Preparatory Committee and the Board of Supervisors;

- 7.3.1.1.2 HASA delegates directors to HASA Funds;
- 7.3.1.1.3 HASA Funds delegates directors to the Preparatory Committee of HASA.
- 7.3.1.2 **Waiver of Voting Rights:** To ensure the credibility and neutrality of professionalism and academy, all professional and academic activities must not be interfered by non-professional factors, HASA sets mechanism of waiving voting rights:
  - 7.3.1.2.1 If the specific shareholder and (or) the member of the Board of Directors of HASA Funds is not delegated by HASA, that person is not allowed to undertake any position in the Drafting Committee;
  - 7.3.1.2.2 If the specific shareholder and (or) the member of the Board of Directors of HASA Funds is not delegated by HASA, that person is prohibited to vote on any related professional activities of HASA, including but not limited to the election of the Drafting Committee, evaluation of professional or academic achievements;
  - 7.3.1.2.3 The shareholder of HASA, the member of the Preparatory Committee or the member of the Drafting Committee must not join the Board of Supervisors of HASA, and has no voting rights in the Board of Supervisors;
  - 7.3.1.2.4 If the founding member is an incumbent as an HR service vendor, including any industry of interest related with HASA and its members, HASA deprives the member of all voting rights in HASA;
- 7.3.1.3 **Withdrawal of Business Strife:** If the founding member serves HR industry as a vendor, including any industry of interest related with HASA and its members, the said individual should not participate in the cooperation issues between his/her employer and HASA, neither should the individual participate in any related matters between HASA and other organizations that has business competitions with the organization for which the said individual works.
- 7.3.1.4 **Hearing Mechanism:** To ensure the credibility and neutrality of professionalism and academy, meanwhile the investment, income and distribution of HASA should be rational and unbiased to protect the interests of all HASA members and the stake holders, based on the principle of open, fair and unbiased, HASA sets the Hearing mechanism. HASA has the rights to set the temporary Hearing Committee in charge of intermediating and arbitrating disputes between HASA and HASA Funds. The Hearing Committee is constituted with the following members:
  - 7.3.1.4.1 Representative delegated by the Founding Members' Conference of HASA;
  - 7.3.1.4.2 Representative delegated by the Board of Supervisors of HASA;
  - 7.3.1.4.3 Representative delegated by the Board of Directors of HASA Funds.

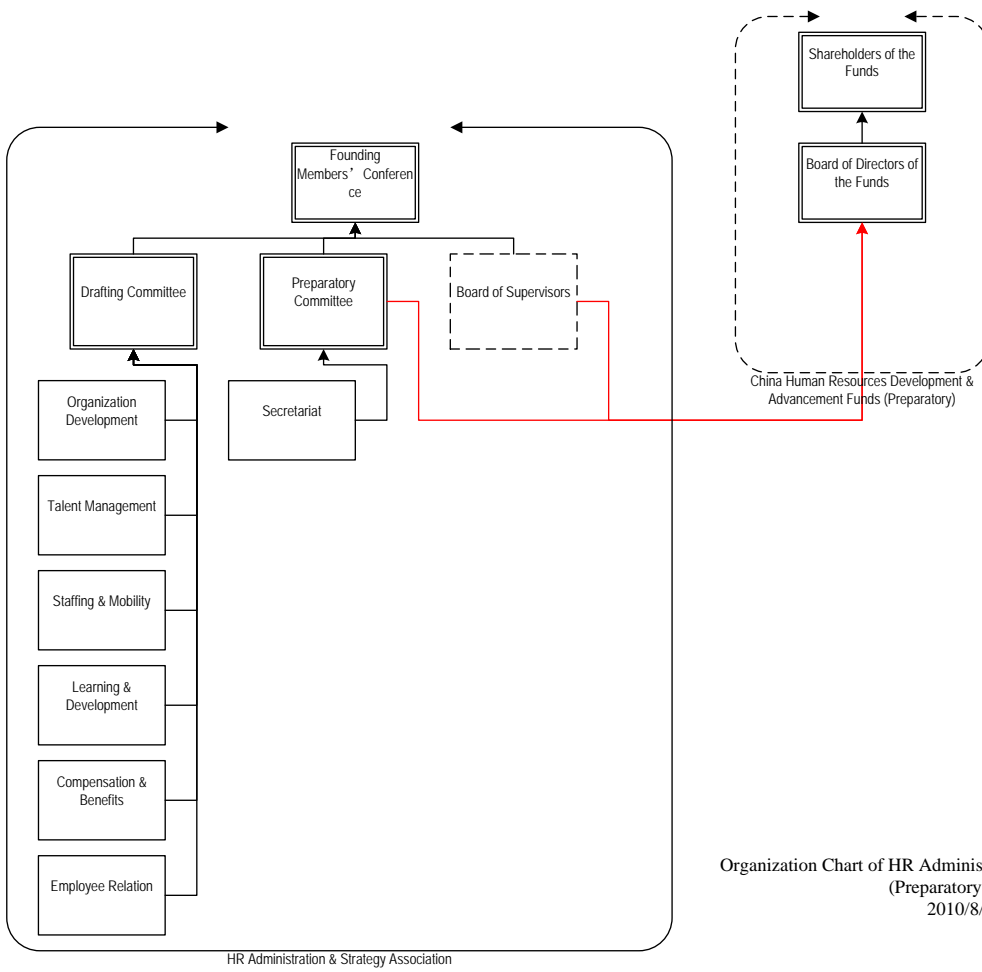
## 8 Appendix

### 8.1 Appendix

- 8.1.1 This Charter and all activities of the Founding Members' Conference shall be governed and construed in accordance with the laws of the People's Republic of China;
- 8.1.2 In the case of any conflict between the terms of this Charter and the laws of the People's Republic of China, the laws of the People's Republic of China shall prevail;
- 8.1.3 If any provision of the terms and conditions of this Charter is deemed invalid or unenforceable under any applicable statute or rule of the laws, such part, to that extent only, will be deemed to be omitted without affecting the validity of the other parts of this Charter;
- 8.1.4 Any pending matters not covered in this Charter shall be discussed and determined in other forthcoming documents;
- 8.1.5 The final rights of interpretation of this Charter shall be reserved by the Founding Members' Conference for the HR Administrators & Specialists Association.

### 8.2 Attachment

- 8.2.1 The Organization Chart of HR Administrators & Specialists Association



Organization Chart of HR Administration & Strategy Association  
(Preparatory Period)  
2010/8/25