

**51B. Meaning of *associate***

- (1) For the purposes of sections 49 to 51A, any question whether a person is an associate of another person shall be determined in accordance with this section.
- (2) A person is an associate of a debtor if that person is the debtor's spouse, or is a relative, or the spouse of a relative of the debtor or his spouse.
- (3) A person is an associate of a debtor with whom he is in partnership, and of the spouse or a relative of any debtor with whom he is in partnership.
- (4) A person is an associate of a debtor whom he employs or by whom he is employed and for this purpose, any director or other officer of a company shall be treated as employed by that company.
- (5) A person in his capacity as trustee of a trust is an associate of a debtor if the beneficiaries of the trust include, or the terms of the trust confer a power that may be exercised for the benefit of, that debtor or an associate of that debtor.
- (6) A company is an associate of a debtor if that debtor has control of it or if that debtor and persons who are his associates together have control of it.
- (7) For the purposes of this section, a person is a relative of a debtor if he is that debtor's brother, sister, uncle, aunt, nephew, niece, lineal ancestor or lineal descendant, treating—
  - (a) any relationship of the half blood as a relationship of the whole blood and the step child or adopted child of any person as his child; and
  - (b) an illegitimate child as the legitimate child of his mother and reputed father,and references in this section to a spouse shall include a former spouse.
- (8) For the purposes of this section, a debtor shall be taken to have control of a company if—
  - (a) the directors of the company or of another company which has control of it (or any of them) are accustomed to act in accordance with his directions or instructions, but a debtor shall not be considered to have control of a company by reason only that the directors act on advice given by him in a professional capacity; or
  - (b) he is entitled to exercise, or control the exercise of, one-third or more of the voting power at any general meeting of the company or of another company which has control of it,  
(Amended E.R. 1 of 2019)and where 2 or more persons together satisfy either of the above conditions, they shall be taken to have control of the company.
- (9) In this section, ***company*** (公司) includes any body corporate (whether incorporated in Hong Kong or elsewhere); and references to directors and other officers of a company and to voting power at any general meeting of a company shall have effect with any necessary modifications.

(Added 76 of 1996 s. 36)