

265C. Meaning of *associate*: further provisions

- (1) A person is an associate of another person if that person—
 - (a) employs that other person; or
 - (b) is employed by that other person.
- (2) A person is an associate of a company if that person is a director, shadow director or other officer of the company.
- (3) A company is an associate of another company if—
 - (a) the same person has control of both;
 - (b) a person has control of one and—
 - (i) persons who are associates of that person; or
 - (ii) that person and persons who are associates of that person, have control of the other; or
 - (c) a group of 2 or more persons has control of each company, and both groups—
 - (i) consist of the same persons; or
 - (ii) would consist of the same persons if (in one or more cases) a member of either group were replaced by a person who is an associate of that member.
- (4) A company is an associate of another person if—
 - (a) that person has control of the company; or
 - (b) that person and persons who are associates of that person together have control of the company.
- (5) For the purposes of this section—
 - (a) a person has control of a company if—
 - (i) any or all of the directors of the company, or of another company which has control of it, are accustomed to act in accordance with that person's directions or instructions; or
 - (ii) that person is entitled to exercise, or control the exercise of, more than 30% of the voting power at any general meeting of the company or of another company which has control of it; and
 - (b) if 2 or more persons together satisfy either subparagraph (i) or (ii) of paragraph (a), they have control of the company.
- (6) For the purposes of this section, ***company*** (公 司) includes a body corporate (whether incorporated in Hong Kong or elsewhere), and references to directors, shadow directors and other officers of a company and to voting power at any general meeting of a company have effect with any necessary modifications.

(Added 14 of 2016 s. 88)