



# 東風 Tung Feng



VOL. 49 No.45

12<sup>th</sup> Jun 2002

*Welcome to the President and Members from our Sister Club:  
- Rotary Club of Kawasaki South*

*And*

*Welcome to the President and Members from our Daughter Club:  
- Rotary Club of Hong Kong Harbour*

## What Happened Last Week

It was uplifting to note that we had an excellent turn-to today again. There was a great contingent from HKNE, led by President Ozer, and they were here to support PDG Moses, who would be our speaker.

One note about the food. We had Chinese today and the portion was huge! Thank you, Excelsior.

President Stephen kicked off the meeting and introduced President Ozer. President Ozer then introduced his club members who were Jurgen, Andrea, John, Patrick, Kevin (son of PP Sam), Michael, Moses, Didi, Paul, Mark, Sam and Kenny.

President Stephen also extended special welcome to PP Sam and PP Con. May we see you more often!



THE ROTARY CLUB OF HONG KONG ISLAND EAST

香港東區扶輪社週報

Club 4350

District 3450

Chartered on 6 April, 1954 by Charter President  
PDG (Uncle) John Yuen

The joint board meeting will be held at the RI Office on 13/6 followed by dinner at CCC.

On 9/6, there will be a TV programme on Rotary called "Rotary in your heart".

On 30/7, PP George would lead our members to Mavkati North. Those who wished to attend, please contact PP George.

Sergeant-at-arms Laurence announced our collection which was HK\$2,100.00. Kishu announced the arrangement relating to typhoon. If signal no.8 shall be hoisted by 9:00a.m. on the day of Rotary meeting, that meeting will be cancelled automatically.

Kishu then introduced our speaker who actually needed no introduction. He was the senior partner of law firm PC Woo & Co. and a director of several listed companies, an OBE, a JP, and a great singer. He made a lasting impression on the writer because he was a school prefect of the secondary school that the writer attended, and he had been a leader ever since.

Moses talked to us, first of all, about PP Edwin. PP Edwin gave Moses his briefing when he first joined Island East.

He then talked about the remuneration paid to non-executive directors. As you all know, the role of the non-executive directors in listed companies is the overseer of the benefits of the minority shareholders and inevitably this will lead to conflict with the interest of the majority at some stage.

On 21/3/2000, in the Financial Times, Miss Maitland wrote an article titled "Part-time directors deserve higher salary". The reason behind this was that despite the "part-time" basis, the duty was onerous and highly valuable. The survey in UK in 2001 had shown increase of 4 to 6% in non-executive directors' remuneration but in the same period, there was an increase of 8 to 10% in executive directors' pay.

In HK, there was little record on non-executive directors' remuneration. Moses said that it could range from HK\$20,000.00 to HK\$200,000.00 per annum.

What were the criteria for "independence". There were 3 conditions:

- (i) not exceeding 1% shareholding in the company concerned;
- (ii) no management function;
- (iii) not related to majority shareholders.

They exercise the "watch-dog" function through Audited Committee and if a conflict arises, they will form an independent committee to advise minority.

So, really, how much should non-exclusive directors be paid? The yardstick would appear to be: high enough to compensate for their efforts but not so high as to lead to a compromise of their functions (after all, they are paid by the company concerned). There is also a debate going on as to whether they should be entitled to stock options.

Lastly, Moses rounded off by these famous words: "if you pay peanuts, you only get monkeys!"

PP Con thanked our speaker in his usual witty manner. President then declared the meeting adjourned with a toast to HKNE.



# Rotary Information

## ELOGY

It is a very sad duty for me to express the deepest condolence on behalf of myself and the members of the Rotary Club of HK Island East to the family of our late Past President Edwin Tao who passed away peacefully on the 28<sup>th</sup> May 2002.

Edwin was born and educated in China and came to Hong Kong to take up the post of general manager of American Engineering Corp. in air conditioning for many long years. Later, he joined Rankine & Hill (HK) Limited until his untimely death.

Edwin and his family have been known to me since 1960 when I first joined the Rotary Club of HK Island East. Throughout these four decades, we had been working closely together in serving our club as well as the community. Our two families have good connection in sports and social events.

Prior to his presidency of our club in 1960/61, he had gone through all the ranks as officers and directors of our club and also served as chairman of the Past Presidents Council for many long years.

He had served twice as president of a well known organization of his profession in Hong Kong as President of Engineering Society of Hong Kong in 1965/66 and president again of the Hong Kong Institute of Engineers in 1986/87. Besides, he played an important role with the Chinese University of Hong Kong and Free Masonry.

A man of great wisdom and dedication, Edwin touched the hearts of all those who knew him. His passing will be a tremendous loss to our club.

May he rest in peace and be remembered !

- PDG Peter Hall

### SPEAKER PROGRAMME

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|--------|---|
| Jun 12 | Intellectual Property Rights in Hong Kong<br>Talk by Mr. Walter M. H. Wan<br>Assistant Superintendent, HK Customs & Excise Department |
| Jun 19 | Regular lunch meeting with Club Assembly<br>(No outside speaker)  |
| Jun 26 | Regular lunch meeting with Sayonara speech<br>By outgoing Pres. Stephen Liu for Rotary Year 2001/2002<br>(No outside speaker)         |

## LAUGH FOR THE WEEK

The topic of a preacher's Sunday sermon was "Forgive Your Enemies". After a long sermon, he asked how many were willing to forgive their enemies. About half held up their hands. Not satisfied he harangued for another twenty minutes and repeated his question. This time he received a response of eighty percent. Still unsatisfied, he lectured for fifteen minutes and repeated his question. With all thoughts now on Sunday dinner, all responded except one elderly lady in the rear.

"Ms. Jones, are you not willing to forgive your enemies?"

"I don't have any."

"Ms. Jones, that is very unusual. How old are you?" "Ninety-three."

"Ms. Jones, please come down in front and tell the congregation how a person can live to ninety-three and not have an enemy in the world." The little sweetheart of a lady teetered down the aisle, very slowly turned around & said: "It's easy. I just outlived all those sonsabitches."

There was a competition to swim from Santa Monica to Catalina doing only the breaststroke, and the three women who entered the race were a brunette, a redhead and a blonde.

After approximately 14 hours, the brunette staggered up on the shore and was declared the fastest breaststroker. About 40 minutes later, the Redhead crawled on shore and was declared the second place finisher. Nearly 4 hours after that, the blonde finally came ashore and promptly collapsed in front of the worried onlookers.

When the reporters asked why it took her so long to complete the race, she replied, "I don't want to sound like I'm a sore loser, but I think those two other girls were using their arms."

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### YEAR 2001 - 2002

<b>Ex-Officio</b> IPP Tajwar Shadikhan	<b>Vice President</b> Henry Chan	<b>President Elect</b> Chris Howe	<b>President</b> Stephen Liu	<b>Secretary</b> Eddy Wong	<b>Treasurer</b> Clark Lu	<b>Advisor</b> PDG Peter Hall
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<b>Directors:</b> PP John Kwok	Rudy Law	Ates Yucel	Malcolm Phillips	Jason Chiu	<b>Sergeant-at-arms</b> Laurence Chan	<b>PP Council Rep</b> PP Hubert Chan
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**ROTARY CLUB OF HONG KONG ISLAND EAST MEETS EVERY WEDNESDAY, 12:30 p.m. AT  
EXCELSIOR HOTEL, CAUSEWAY BAY**



Pres. Ozer of HK North East greeting the Rotarians and guest.



Birthday Boy Kishu was congratulated by Pres. Stephen and PDG Moses.



PDG Moses was our luncheon speaker for "the fees for independent non-executive directors"



The group photo of HK North East and HK Island East



PDG YK enjoyed the company of Rtn Tony, PE Chris, PP John, PP Desmond and Rtn Francis



PP Con thanking the speaker.



PP Sam and Rtn Bill entertained our visiting Rotarian from HK North East



Rtn Kevin & his HKNE member enjoyed the company of VP Henry and PP Hubert



PP Li and Rtn Andrew sharing their good time with visiting Rotarians from HK North East



A happy foursome – PP Tim, PP Con, Rtn Alex and PP CY Fu.



Two solicitors in a row, PP Desmond and Rtn Francis.



Rtn Heron with the guest and visiting Rotarians.



Congratulations to PDG Peter Hall who was presented the “Life Time Achievement Award”  
by Past RI President Cliff Dochterman during the 42<sup>nd</sup> Annual District 3450 Conference  
on March 16-17 at the Kowloon Shangri-la Hotel.