

Claim nature:  
A: Non-Monetary Claim  
B: Contract

No. 1  
Writ of Summons  
(Order 6 rule 1)

HCA 1708 / 2025



**IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
ACTION NO. 1708 OF 2025**

BETWEEN

THE LUTHERAN CHURCH – MISSOURI SYNOD

Plaintiff

and

HONG KONG INTERNATIONAL SCHOOL ASSOCIATION  
LIMITED

Defendant

TO THE DEFENDANT, HONG KONG INTERNATIONAL SCHOOL  
ASSOCIATION LIMITED of 6 South Bay Close, Repulse Bay, Hong Kong.

THIS WRIT OF SUMMONS has been issued against you by the above-named  
Plaintiff in respect of the claim set out on the back.

Within (14 days) after the service of this Writ on you, counting the day of service, you  
must either satisfy the claim or return to the Registry of the High Court the  
accompanying ACKNOWLEDGMENT OF SERVICE stating therein whether you  
intend to contest these proceedings or to make an admission.

If you fail to satisfy the claim or to return the Acknowledgment within the time stated,  
or if you return the Acknowledgment without stating therein an intention to contest  
the proceedings or to make an admission, the Plaintiff may proceed with the action  
and judgment may be entered against you forthwith without further notice.

\* [If you intend to make an admission, you may complete an appropriate form  
enclosed in accordance with the accompanying Directions for Acknowledgment of  
Service.]

Issued from the Registry of the High Court this 20<sup>th</sup> day of September 2025.

Registrar

*Note:* — This Writ may not be served later than 12 calendar months beginning with that date unless  
renewed by order of the Court.

**IMPORTANT**

Directions for Acknowledgment of Service are given with the accompanying form.

**STATEMENT OF CLAIM**

(Please see attached)

\*Where words appear between square brackets, delete if inapplicable.

\*(Signed if statement of claim indorsed.)

A statement of claim must be verified by a statement of truth in accordance with Order 41A of the Rules of the High Court (Cap. 4 sub. leg. A).

(Where the Plaintiff's claim is for a debt or liquidated demand only: If, within the time for returning the Acknowledgment of Service, the Defendant pays the amount claimed and \$..... for costs, further proceedings will be stayed. The money must be paid to the Plaintiff or his Solicitor.)

THIS WRIT was issued by Messrs. King & Wood Mallesons of 13/F Gloucester Tower, The Landmark, 15 Queen's Road Central, Central, Hong Kong, Solicitors for the said Plaintiff whose principal place of business in Hong Kong is at 810 Silvercord, Tower 1, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong.

*King Wood Mallesons*

**KING & WOOD MALLESONS**  
Solicitors for the Plaintiff

因這是法律文件，忽視它可帶來嚴重後果。  
如有疑問，請儘早向發出文件的法庭登記處  
查詢：

香港金鐘道 38 號  
高等法院低層一樓  
高等法院登記處

你亦應考慮聽取律師的意見或是申請法律援助。

This is a legal document. The consequences of ignoring it may be serious. If you have any query, you should enquire as soon as possible at the Registry of the Court issuing the document, namely :

High Court Registry  
LG1, High Court Building, No. 38  
Queensway, Hong Kong

You should also consider taking the advice of a Solicitors or applying for Legal Aid.

IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
ACTION NO. [ ] OF 2025

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BETWEEN

THE LUTHERAN CHURCH — Plaintiff  
MISSOURI SYNOD

and

Defendant

HONG KONG INTERNATIONAL  
SCHOOL ASSOCIATION LIMITED

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**STATEMENT OF CLAIM**

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#### **A. Introduction**

1. The Plaintiff was formally established in 1847 and became incorporated as a non-profit corporation in 1894 under the laws of the State of Missouri, United States of America. The Plaintiff is known as the “LCMS”.
2. The Defendant is a company incorporated in 1974 under the laws of Hong Kong as a company limited by guarantee. The Defendant is known as “HKISAL”.
3. As will be further particularized hereinbelow:
  - 3.1 Hong Kong International School (“HKIS”) was founded by the Plaintiff in the 1960s.
  - 3.2 Since its founding, the Plaintiff has sought to provide the highest quality education based on Christian values at HKIS.
  - 3.3 By an Operating Agreement (as defined in paragraph 30 below), the Plaintiff allowed the Defendant to manage HKIS on its behalf, subject to the terms and conditions set out therein.
  - 3.4 Regrettably, the Defendant has over recent years ridden roughshod over the Plaintiff’s rights under the Operating Agreement, including by breaching that agreement as follows:

- (a) The Head of School of HKIS:
- (i) is not a member and/or missionary of the Plaintiff, is not the Supervisor, and his interim appointment by the Plaintiff has been revoked effective 17 June 2026 (see Section F1);
  - (ii) is not a member of the management committee or a director of the Defendant (see Section F2); and
  - (iii) is not acting with ultimate responsibility to the Plaintiff and not acting with responsibility that HKIS fulfils the purposes stated in the Operating Agreement (see Section F3);
- (b) HKIS does not have a majority of senior administrators who are members of the Plaintiff or members in good standing in a congregation served by the Plaintiff, and there is no strong nucleus of Christian teachers at HKIS (see Section F4);
- (c) The same person, namely Harold Kim, has been the Chairman of the board of directors of the Defendant for more than three consecutive years (see Section F5);
- (d) HKIS is not open to all children with priority to students of greatest need of an English language curriculum based on the American style of education (see Section F6);
- (e) There is a failure of the Defendant to adhere to the Lutheran teachings and principles of the Plaintiff, including: (i) the programme of religious education does not offer the Christian Gospel to students and/or is inconsistent with the teachings of the Plaintiff; (ii) there is a failure to uphold the Christian ethos of the school and/or to serve the community in a manner consistent with the teachings of the Plaintiff; and (iii) the HKIS Mission Statement is inconsistent with the teachings of the Plaintiff (see Section F7);

- (f) There is a failure of the Defendant and its leadership and staff to strive to serve HKIS in a manner consistent with the teachings of Jesus Christ (see Section F7);
- (g) There is a failure of the Defendant to adhere to Education Bureau regulations, and the Defendant breached its contract with the Education Bureau (see Section F7);
- (h) There is a failure of the Defendant to operate HKIS in a model and standard consistent with that employed by the Plaintiff's schools in America (see Section F8);
- (i) There is a failure of the Defendant to exercise powers only for the benefit of HKIS and the community it serves (see Section F9);
- (j) There is a failure of the Defendant to provide information to the Plaintiff (see Section F10);
- (k) There is a failure of the Defendant to jointly review the Operating Agreement every six years (see Section F11); and
- (l) There is a failure of the Defendant to indemnify the Plaintiff for third-party costs and expenses incurred in connection with the management of HKIS (see Section F12).

3.5 In addition to the aforesaid fundamental and multifarious breaches of the Operating Agreement, the Defendant has also:

- (a) Acted in breach of its own Articles of Association (see Section G1);
- (b) Executed documents purportedly on behalf of the Plaintiff without the actual authority of the Plaintiff (see Section G2);
- (c) Failed to make filings to the Companies Registry within time, in breach of section 645 of the Companies Ordinance (Cap. 622) ("CO"), with the result that the Defendant and all of its directors and its company secretary (Ron Roukema)



have committed a criminal offence under section 645(6) of the CO.

- 3.6 The aforesaid wrongful conduct of the Defendant demonstrates a fundamental repudiation by the Defendant of the co-operation between the Plaintiff and the Defendant in the operation of HKIS pursuant to the Operating Agreement.
- 3.7 As a result, HKIS has lost its way and no longer resembles the equitable, compassionate, supportive and generous school the Plaintiff established for the Hong Kong community.
- 3.8 As a Christian charity, the Plaintiff always seeks to avoid conflict and resolve disputes amicably.
- 3.9 The Plaintiff has repeatedly informed the Defendant of its wrongful conduct and requested it to rectify the same (see Section H).
- 3.10 The Plaintiff has lost confidence in the Defendant's ability to run HKIS in accordance with its original vision, commitments and contractual obligations.
- 3.11 Having exhausted all efforts to resolve the matter amicably, the Plaintiff gave notice by letter dated 4 September 2025 that a final opportunity is given to the Defendant to fully comply with all parts of the Operating Agreement by a range of dates, no later than the conclusion of the 2027-2028 academic year (June 2028), failing which the Plaintiff intends to terminate the Operating Agreement, evict the Defendant and HKIS from the Repulse Bay Campus and Tai Tam Campus (as defined in paragraphs 20 and 31 below), and set up its own school (which the Plaintiff presently intends to name as "Hong Kong Pacific School") thereon that will operate in accordance with the principles and teachings of the Plaintiff. The Plaintiff will take all necessary measures to minimise interruption to students at HKIS.
- 3.12 After years of inaction from the Defendant, the Plaintiff is left with no choice but to take action to protect the integrity of HKIS.

- 3.13 The Plaintiff's decision to initiate legal proceedings is grounded in its unwavering commitment to Hong Kong and the students of HKIS, and its responsibility to ensure fairness, integrity, and accountability in the school's governance. Above all, the Plaintiff remains dedicated to preserving HKIS' reputation as one of Hong Kong's leading educational institutions.
- 3.14 The present action is commenced to seek injunctions and orders for specific performance to compel immediate compliance by the Defendant with the Operating Agreement, as a final opportunity given to the Defendant. The Plaintiff reserves its right to amend this Statement of Claim and seek appropriate relief to effect the termination of the Operating Agreement and eviction of the Defendant from the Repulse Bay Campus and the Tai Tam Campus, if this action does not conclude, and/or the Defendant does not fully comply with the Operating Agreement, before the conclusion of the 2027-2028 academic year (June 2028).
- 3.15 Save for the costs in relation to the audit of HKIS leading to this action and the costs of this action, the Plaintiff does not seek financial compensation in the present action; it only seeks to honour its commitment made to the Government and people of Hong Kong in 1969 and 1972; to operate a not-for-profit school of the Plaintiff on the Repulse Bay Campus.

**B. The Plaintiff's Charitable Works in Education and Its Mission Activities Worldwide**

4. The Plaintiff is the second-largest Lutheran Christian church body in the United States (and one of the world's largest such bodies), currently having over 1.7 million members.
5. Since its establishment in the mid-19<sup>th</sup> century, the Plaintiff has undertaken significant charitable works, including in education and in its mission activities. In particular:
- 5.1 The Plaintiff's schools (including its international schools and the schools of its US member congregations) currently provide formal education to around 175,000 students around the world, ranging from pre-school to high school.

- 5.2 While the Plaintiff is a religious body, its institutions (other than its seminaries) are open to people of all or no faith so that the Plaintiff can serve students and communities by preparing individuals for fulfilling and productive lives and cultivating informed and engaged citizens who contribute positively to society.
- 5.3 The Plaintiff currently deploys, supports and supervises over 120 international missionaries (both clergy and laity) serving in various regions across the world.
- 5.4 In addition to bringing the Gospel of Jesus Christ to people who have never heard this Gospel, the Plaintiff and its missionaries also provide care and support to those in need (regardless of their religion or lack thereof), in areas such as health, disaster relief, agriculture, community development and teaching English as a foreign language.

### **C. The Plaintiff's Presence in Hong Kong**

- 6. The Plaintiff sent its first missionaries into China in 1913.
- 7. In the 1940s, in view of the significant immigration to Hong Kong at that time, the Plaintiff decided to focus its regional mission efforts on the territory to assist the local community in Hong Kong.
- 8. In particular, the Plaintiff was granted various parcels of land in Hong Kong and, through the work of the Plaintiff and its missionaries in Hong Kong, established its first Hong Kong School in 1953 to serve the Hong Kong community (Concordia Lutheran School in Kowloon, which continues to operate today).
- 9. Over the following decades, the Plaintiff established many more Hong Kong schools and kindergartens on land granted by the Hong Kong government, such as Concordia Lutheran School, Concordia Lutheran School – North Point, Holy Cross Lutheran School and Saviour Lutheran School. The Plaintiff currently holds around ten properties in Hong Kong (via its Hong Kong subsidiary).
- 10. To assist its operations in Hong Kong, the Plaintiff encouraged and supported the establishment of local Lutheran entities and/or

congregations, and the Plaintiff provides support to such entities and local Lutheran schools, clergy, church workers, teachers and congregants (including through the Plaintiff's international missionaries).

11. As a result of the work of the Plaintiff and the aforesaid local entities and/or congregations, there are currently around 40 Lutheran schools and kindergartens in Hong Kong, currently serving over 22,000 students.

**D. The Plaintiff's Establishment of HKIS and the Incorporation of the Defendant**

12. In the early 1960s, a group of American Christian businessmen in Hong Kong desired: (a) to establish a place for Protestant Christian worship on the south side of Hong Kong Island; and (b) to form an American school in Hong Kong.
13. Of the three men who led this project, two were Lutheran missionaries of the Plaintiff (Lenard Galster and Melvin Kieschnick) and all three were Lutheran Christians.
14. As a result of this, and the Plaintiff's success and good reputation for establishing churches and schools in Hong Kong, those businessmen sought support from the Plaintiff for the aforesaid purposes.
15. The Plaintiff agreed to provide its support for the establishment of the aforesaid church and school, on the basis that the church would be a Lutheran Christian church, and the school would operate in a manner consistent with the Lutheran teachings of the Plaintiff.
16. Specifically, the school was to (a) offer a programme of Lutheran Christian education and serve the community; and (b) be an asset of the Plaintiff that supports the mission of the Plaintiff (spreading the Gospel and bringing people to God).
17. Pursuant to the agreement pleaded in paragraphs 12 to 16 above, the Plaintiff formed and commenced the operation of the church and the school, as particularized in the following paragraphs.
18. In 1962, the Repulse Bay Lutheran Church commenced operations.

19. In 1965, the Plaintiff provided the majority of the funding for the establishment of the school.
20. The Plaintiff secured 2 plots of land from the Government of Hong Kong for the purpose of building and operating the school thereon:
  - 20.1 By Government Lease of RBL 870 dated 22 January 1969, the Plaintiff was granted Rural Building Lot No. 870 ("**RBL 870**") at Nos. 6-8 South Bay Close Hong Kong for a term of 75 years commencing on 1 April 1967 at an annual rent of HK\$798; and
  - 20.2 By Conditions of Grant No. 10119 of RBL No. 911 dated 22 February 1972, the Plaintiff was granted Rural Building Lot No. 911 ("**RBL 911**") at No. 23 South Bay Close Hong Kong for a term of 75 years commencing on 1 April 1967 at an annual rent of HK\$1,102 per annum (RBL 870 and RBL 911 together being the "**Repulse Bay Campus**").
21. On 12 July 1966, the Plaintiff successfully registered Hong Kong International School (school registration number: 213772) (i.e. HKIS) in accordance with the Education Ordinance (Cap. 279) ("**EO**").
22. In September 1966, the Plaintiff began operating HKIS as an international school and exclusively operated HKIS until 1974. During its inaugural school year from 1966 to 1967:
  - 22.1 HKIS welcomed more than 190 students and operated as a provisional elementary school in a renovated apartment building at 43 Chung Hom Kok Road (in facilities owned by the Plaintiff), while new facilities were being built on the Repulse Bay Campus (funded in majority by the Plaintiff); and
  - 22.2 The Plaintiff supplied around 60% of the HKIS teachers.
23. On 11 September 1967, the Plaintiff expanded the course offerings at HKIS to cover kindergarten through to Grade 12 curriculum, accommodating 630 students on the Repulse Bay Campus, offering a programme of Lutheran Christian education consistent with the teachings of the Plaintiff.

24. In 1974, the Plaintiff intended a local charity to operate HKIS on its behalf and raise funds locally for HKIS. Accordingly, the Defendant was incorporated as a company limited by guarantee in Hong Kong on 24 April 1974 for that purpose.
25. Article 3 of the Amended Memorandum of Association of the Defendant provides *inter alia* (emphasis added):

*“The objects for which this Association is established are:-*

(a) *To manage the financial and business operations of Hong Kong International School (hereinafter called “the School”); to handle and direct the assets, assume the liabilities, and otherwise control the finances of the School on behalf of its owner, the Lutheran Church – Missouri Synod....*

(b) ...  
(ii) *To manage and perform wholly or partially so far as may be approved by the Education Department of the Government of Hong Kong and required by the said Lutheran Church – Missouri Synod the educational operations of the School.”*

26. Article 23 of the Amended Articles of Association of the Defendant provides (emphasis added):

*“The management of the affairs administration and business of the Association shall be vested in the Committee...but subject nevertheless to the provisions of...these presents and to any regulations (not being inconsistent with these presents) from time to time...issued by the Board of Directors of the Lutheran Church – Missouri Synod....”*

27. Article 25 of the Amended Articles of Association of the Defendant provides (emphasis added):

*“The Committee shall consist of not less than six nor more than eleven of the Ex-officio Members who (other than the first members above named) shall be elected by the Ex-officio Members of the Association and whose election shall be approved by the*

Board for Missions of the Lutheran Church – Missouri Synod and of whom one shall be the Chairman.”

28. Article 35 of the Amended Articles of Association of the Defendant provides (emphasis added):

*“Except as provided in Article 33, a meeting of the members of the Committee for the time being at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under the regulations of the Association for the time being vested in the Committee generally provided the same shall in nowise conflict with the Constitution and Bye-laws for the time being of the Lutheran Church – Missouri Synod.”*

29. The Amended Memorandum of Association of the Defendant and the Amended Articles of Association of the Defendant are collectively referred to as the “**Articles**”. The Plaintiff avers that in the Articles: (a) the “Committee” refers to the board of directors of the Defendant; (b) a “member of the Committee” refers to a director of the Defendant; and (c) a “member” refers to a member of the Defendant under section 2 of the CO.

30. Against the afore-pleaded background, by a written agreement between the Plaintiff and the Defendant dated 26 March 1974, which was subsequently amended and re-stated by the parties on 5 September 2002 and 23 April 2013 (“**Operating Agreement**”), the Plaintiff agreed that HKIS will be managed by the Defendant subject to the terms of that agreement.

31. HKIS currently operates on two campuses:

31.1 The Repulse Bay Campus, housing the lower and upper primary sections of HKIS, owned by the Plaintiff; and

31.2 A campus at Tai Tam (the “**Tai Tam Campus**”), housing the secondary section of HKIS. The four relevant government leases thereof were granted after the establishment of the Defendant and are accordingly held by the Defendant.

32. The Plaintiff avers that the Defendant's rights to the land at the Tai Tam Campus and the fixtures thereon are held on express, or alternatively constructive, trust for the Plaintiff. The Plaintiff shall rely on the following matters in support of the aforesaid contention:
- 32.1 On or about 24 April 1974, when Defendant was incorporated and the Memorandum of Association of the Defendant was adopted, the Defendant made the express declaration via Article 3(a) of thereof (as pleaded in paragraph 25 above) that the assets it held for the purpose of managing and operating HKIS were held on behalf of the Plaintiff.
- 32.2 On or about 4 June 2001, when the Amended Memorandum of Association of the Defendant was adopted, the Defendant repeated the aforesaid express declaration via Article 3(a) thereof, which remains unamended as at the date of this Statement of Claim.
- 32.3 Further, under Clause I(E) of the Operating Agreement (which was inserted into the 2013 re-statement of the Operating Agreement concluded on 23 April 2013), the Plaintiff and the Defendant agreed that the personal property and chattels used in the operation of HKIS stood solely in the ownership of the Defendant. On a proper construction of Clause I(E), read against Clause IV(D) and Article 3(a) of the Amended Memorandum of Association, the parties agreed that assets held by the Defendant used in the operation of HKIS, other than personal property and chattels, were held on trust for the Plaintiff.
- 32.4 By way of Power of Attorney dated 15 September 2015, the Plaintiff authorised Alan Runge, Ji Il Kwon, Kenneth Fowler and Harold Kim (each then a director of the Defendant) to act (where duly approved by a resolution of the Defendant) as attorney for the Plaintiff on various matters, including "*the acquisition of landed property in Hong Kong in the Tai Tam District, Hong Kong for the purpose of expansion of [HKIS]*"
- 32.5 In the slides for a "HKIS Community Forum" on 4 May 2017, the Defendant declared that:

*"[The Plaintiff] was established as the school owner."*



- *[The Plaintiff] initially owner and operator*
- *1974 - [the Defendant] established to allow more localized decision-making and control for operations*
- *Lands granted to [the Plaintiff] for HKIS directly or through [the Defendant] on its behalf*
- *Under current HK law the [Plaintiff] remains the owner and School Sponsoring Body (SSB)”*  
(emphasis added)

32.6 In reliance on the matters pleaded in paragraph 32.1 to 32.5 above, after the incorporation of the Defendant and the entry into the Operating Agreement in 1974, the Plaintiff has continued to provide material ongoing financial and other support to HKIS and the Defendant, including:

- (a) Calling (appointing) and supporting the HKIS Head of School (save for as described in Section F1);
- (b) To date, the Plaintiff has supplied over 200 teachers and administrative staff to HKIS;
- (c) The Plaintiff provided financial support to HKIS, such as: financial support for:
  - (i) the construction of new HKIS buildings in 1974 and 1985, including on the Tai Tam Campus;
  - (ii) until 1997, the salary for the HKIS Head of School; and
  - (iii) some HKIS administrative costs;
- (d) Following repeated requests by the Defendant from March 2018 to February 2019, by way of letter dated 12 February 2019, the Plaintiff wrote as “*the owner of HKIS*” to the Education Bureau (copying the Defendant) and authorised the Defendant to enter into the private treaty grants of Rural Building Lots 1199 and 1216 (those lots comprising two of four leases for the Tai Tam Campus). By way of separate emails dated 13 February 2019, Harold Kim and Ron

Roukema of the Defendant thanked the Plaintiff for that authorisation.

- 32.7 At no time has the Defendant raised any claim that it holds its rights to the land at the Tai Tam Campus and the fixtures thereon on any basis other than on trust for the Plaintiff. It would be inequitable for the Defendant to do so now, and the Defendant should be estopped from so doing, given the Plaintiff's material reliance on the above matters over an extended period.

### **E. The Material Terms of the Operating Agreement**

32. Clause I of the Operating Agreement provides that:

*"The directors of [the Defendant] shall manage Hong Kong International School in accordance with the following [i.e. the provisions of Clause I]"*.

33. Clauses I(A)(2)(b), I(C) and I(H) of the Operating Agreement provide for the Defendant to manage HKIS under the leadership of a Lutheran Christian administration. In particular:

- 33.1 Clause I(A)(2)(b) provides that:

*"The Head of School shall be a member of the [Plaintiff] ..."*;

- 33.2 Clause I(A)(2)(b) provides that:

*"... a majority of the senior administrators shall be members of the [Plaintiff] or members in good standing in a congregation served by the [Plaintiff] ..."*;

- 33.3 Clause I(C) provides that:

*"The management of [the Defendant], whose directors shall manage the School in accordance with this Agreement, shall remain exclusively in a Committee of Management comprised of the Ex-Officio Members of [the Defendant], who are the Board of Managers of the School..."*

*There will be a minimum of eleven and a maximum of fifteen voting members on the Board of Managers. A majority of the members of the School's Board of Managers shall be members of [the Plaintiff] (either directly or through membership in Church of All Nations – Lutheran in Hong Kong ("CAN")). Members of the Board of Managers shall fall into the following two categories:*

*(a) Members by virtue of position:*

*(i) The Pastor of CAN, providing he is a member of [the Plaintiff].*

*(ii) The Head of School of Hong Kong International School (Supervisor of the School)..."*

The Plaintiff avers that, on a proper interpretation of the Operating Agreement: (a) a reference to the "Board of Managers" is a reference to the board of directors of the Defendant that operate HKIS; (b) a reference to the "Committee of Management" is a reference to the management committee of HKIS ("MC") formed under section 3 and Part IIIA of the EO; and (c) since the board of the Defendant and the MC are required to be constituted by the same persons pursuant to Clause I(C) and the Articles, the "Board of Managers" and the "MC" refer to the same individuals and can be understood interchangeably.

33.4 As at the date hereof:

- (a) The same 11 people are the members of the Defendant, the directors of the Defendant and the members of the MC; and
- (b) In practice the management and operation of HKIS is undertaken by the Defendant (who employs the HKIS staff, collects fees from the HKIS parents, etc.) and the board of directors of the Defendant acts as the governing body for HKIS.

33.5 Clause I(H) provides that:

*“The Head of School of Hong Kong International School shall be officially called/appointed by the Board for International Missions of the [Plaintiff] in consultation with the Board of Managers of the Association. He/she is a missionary of the [Plaintiff].*

*The Head of School shall be directly responsible to the Board of Managers of the School, but he/she shall also maintain an ultimate responsibility to the Board of International Missions of the [Plaintiff]...”; and*

34. Clauses I(A)(1)(a), I(A)(2)(a)-(c) and I(H) of the Operating Agreement provide that, in managing HKIS, the Defendant will manage HKIS, as part of the international operations of the Plaintiff, in a manner consistent with the Lutheran teachings of the Plaintiff. In particular:

- 34.1 Clause I(A)(1)(a) provides that:

*“As a part of the international operations of [the Plaintiff], the School will offer a program of Christian education and will serve the community in a manner consistent with the teachings of the [Plaintiff] as spelled out in Article II of the constitution of [the Plaintiff].”;*

- 34.2 Clause I(A)(2)(a) provides that:

*“A Mission Statement consistent with the Christian teachings of [the Plaintiff] will support the objectives of the School and will serve as the guidelines for its program and approaches.”;*

- 34.3 Clause I(A)(2)(b) provides that:

*“... There will be a strong nucleus of Christian teachers, including graduates from [the Plaintiff's] colleges who are trained as Christian educators.*

*The faculty, administration, and Board of Managers are to uphold the Christian ethos of the School, and strive to serve in their respective capacities in a manner consistent with the teachings of Jesus Christ.”;*

34.4 Clause I(A)(2)(c) provides that:

*“A program of religious studies will offer the Christian Gospel to the students.”; and*

34.5 Clause I(H) provides that:

*“...[The Head of School] is designated as the individual responsible that the School reaches toward fulfilment of its purposes as stated in this Agreement and in the Mission Statement of the School.”*

The Plaintiff avers that, on a proper interpretation of the Operating Agreement, a reference to Christianity or the Christian Gospel is a reference to the Lutheran Christian interpretation, teaching and practice of Christianity and the Christian Gospel as referenced in Clause I(A)(1)(a) of the Operating Agreement (i.e. consistent with the matters as pleaded in Section F7 below).

35. Clause I(A)(1)(b) of the Operating Agreement provides that:

*“The School will offer an American model and standards of education in Hong Kong. The School will be open to all children meeting the admissions requirement, but, priority will be given to students of greatest need of an English language curriculum based on the American style of education.”*

The Plaintiff avers that, on a proper interpretation of the Operating Agreement, a reference to an “American model and standards of education” is a reference to the model and standards of education employed by the Plaintiff in its schools in the United States (i.e. consistent with the matters as pleaded in Section F8 below).

36. Clause I(D) of the Operating Agreement provides that:

*“The powers of [the Defendant] are to be exercised only for the benefit of Hong Kong International School and the community it serves...”.*

The Plaintiff avers that, on a proper interpretation of the Operating Agreement, the powers of the Defendant are only exercised for the benefit of HKIS and the community it serves, if the power is exercised consistently with the Lutheran teachings of the Plaintiff and in accordance with the Operating Agreement.

37. Clause I(C)(4)(b) of the Operating Agreement provides that:

*“Terms of office [of the Board of Managers] shall be for one year and are renewable, with the exception of the position of chairman which shall not be filled by the same person for more than three consecutive years.”*

38. Clause I(G) of the Operating Agreement provides that:

*“The annual budget and annual audit of the financial statements for the School as well as copies of the minutes of the Board of Managers meetings, annual lists naming the members of the Board of Managers and their affiliations, the insurance certificate referenced in Section I.D hereof and other pertinent and requested information will, on an annual basis, be sent to the Office of International Missions [of the Plaintiff], to the attention of the Chief Mission Officer, of [the Plaintiff], in St. Louis, Missouri.”*

39. Clause I(D) of the operating Agreement provides that:

*“... [the Defendant] hereby agrees to defend, indemnify and hold harmless [the Plaintiff] against any and all claims, demands, suits, settlements, damages, losses, liabilities, costs and expenses, including, without limitation, reasonable attorneys’ fees and expenses, paid or incurred by, or asserted against [the Plaintiff] arising out of or in connection with [the Defendant’s] operation of the School. ...”*

40. Clause I(B) of the Operating Agreement provides that:

*“The Agreement shall be jointly reviewed by the parties every six years, at which time any necessary changes and/or additions may be considered and incorporated by mutual consent in accordance with Section IV.B of this Agreement.”*

41. Clause IV(D) of the Operating Agreement provides that:

*“This Agreement, together with the relevant terms of the [Articles], represents the whole agreement between the parties hereto and supersedes all other agreements and writings as between them.”*

42. Clause IV(C) of the Operating Agreement provides that:

*“Should [the Defendant] knowingly violate the articles of this Agreement, the Board of Directors of [the Plaintiff] shall have the option to terminate this Agreement following full study and discussion of this matter with the Board of Managers.”*

**F. Breaches of the Operating Agreement by the Defendant**

**F1. Head of School is not a member and/or missionary of the Plaintiff, is not the Supervisor, and is not permanently appointed by the Plaintiff**

43. In or around early 2017, the Plaintiff received reports from the then Head of School at HKIS, i.e. Alan Runge (who was a member of the Plaintiff), that he was being pressured by the Chairman of the Defendant, i.e. Harold Kim, to resign from HKIS, due to Alan Runge’s efforts to pursue a more substantial program of Lutheran education at the school.

44. On 7 April 2017, Alan Runge resigned from his position as Head of School of HKIS effective 31 July 2017. Consequently, a vacancy arose for the position of HKIS Head of School.

45. After several proposed candidates from both the Plaintiff and Defendant were rejected by the other and given the urgent need for a successor to Alan Runge by 31 July 2017, the Plaintiff agreed to appoint Ron Roukema (who was already in a senior leadership position at HKIS, but was and is not a member or missionary of the Plaintiff) as the Head of School on an interim basis.

46. At the same time, the Plaintiff also agreed to appoint Joel Scheiwe on an interim basis as Supervisor of HKIS under Part IIIA of the EO.

47. As made clear in the Plaintiff's resolution dated 2 June 2017 making the respective appointments of Ron Roukema and Joel Scheiwe (which was circulated to the Defendant on 3 June 2017, with no objections raised by the Defendant):
- 47.1 Those appointments were made strictly on an interim basis until such time as the Plaintiff determines that the period of service be ended, and solely as a gesture of goodwill without prejudice to the Plaintiff's rights under the Operating Agreement; and
- 47.2 In the meantime, the parties would continue the search process for the appointment of a new, permanent HKIS Head of School pursuant to the Operating Agreement.
48. Given the lack of progress on a mutually agreeable candidate, at the request of the Defendant, the Plaintiff adopted another resolution on 15 May 2018 (which was circulated to the Defendant on 17 May 2018, again with no objections raised by the Defendant) re-appointing Ron Roukema as Head of School and Joel Scheiwe as Supervisor of HKIS, on the same interim bases as pleaded in paragraph 47 above.
49. Subsequent discussions between the parties from 2018 to 2020 (including by letters dated 19 November 2019, 9 December 2019, 17 December 2019 and 7 February 2020) did not result in an agreement on a new permanent Head of School, by reason of the Defendant's refusal to adhere to a commitment to embody a Lutheran identity, mission and ministry at HKIS (including improvements to the school's religious education, philosophy, and curriculum to align with the teachings of the Plaintiff) in accordance with the Operating Agreement.
50. Instead, the Defendant unilaterally engaged in a series of actions (including shortlisting candidates, interviewing candidates in the United States, inviting candidates to Hong Kong, putting such candidates before the HKIS community and making written communications to the HKIS community) which demonstrated its intention to appoint a Head of School with minimal or no input from the Plaintiff.
51. In view of the foregoing and the numerous breaches of the Operating Agreement by the Defendant as pleaded hereinbelow under Ron Roukema's leadership, by letter dated 4 September 2025 from King &



Wood Mallesons (“KWM”), solicitors for the Plaintiff, to Johnson Stokes & Master (“JSM”), solicitors for the Defendant,<sup>1</sup> the Plaintiff gave notice of the termination of the appointments of Ron Roukema as Head of School and Joel Scheiwe as Supervisor with effect from 17 June 2026, and demanded that a member and missionary of the Plaintiff be appointed by the Plaintiff as Head of School (who will also be the Supervisor).

52. By way of reply to KWM’s letter dated 4 September 2025, JSM, in its letter dated 10 September 2025, did not address the termination of those appointments. It is to be inferred that the Defendant is wrongfully refusing to (a) acknowledge the termination of the appointments of Ron Roukema as Head of School and Joel Scheiwe as Supervisor, and (b) allow the appointment of a member or missionary of the Plaintiff as Head of School (who will also be the Supervisor).
53. In the premises, in breach of Clauses I(A)(2)(b), I(C) and/or I(H) of the Operating Agreement, the Defendant has since 4 September 2025 been managing, continues to manage, and/or threatens to continue to manage, HKIS with a Head of School, i.e. Ron Roukema: (a) who is not a member or a missionary of the Plaintiff; (b) who is not the Supervisor; and/or (c) whose interim appointment by the Plaintiff has been revoked effective 17 June 2026.
54. Further or alternatively, to the extent (which is denied) that Clauses I(A)(2)(b), I(C) and/or I(H) of the Operating Agreement only apply to a permanent (as opposed to interim) Head of School, the Defendant is in breach of the aforesaid clauses by reason of the fact that it has since 4 September 2025 been managing, continues to manage, and/or threatens to continue manage, HKIS without any permanent Head of School (despite the fact that Ron Roukema is sometimes referred to by the Defendant as Head of School and not interim Head of School): (a) who is a member of missionary of the Plaintiff; (b) who is the Supervisor; and/or (c) is appointed by the Plaintiff.

F2. Head of School is not a member of the MC or a director of the Defendant

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<sup>1</sup> The Plaintiff notes that JSM was formerly until 2 December 2024 Mayer Brown. For convenience, the Plaintiff shall refer to the Defendant’s solicitors as JSM (irrespective of whether the relevant event occurred prior to or after 2 December 2024).

55. Further, at no time during his office as Head of School has Ron Roukema been a member of the MC or a director of the Defendant.
56. The Plaintiff has never agreed to the Head of School not being a director of the Defendant or a member of the MC.
57. In the premises, in breach of Clause I(C) of the Operating Agreement, the Defendant has since 1 August 2017 been managing and continues to manage HKIS with a Head of School, i.e. Ron Roukema, who was and is not a member of the MC or a director of the Defendant.
58. Further or alternatively, to the extent (which is denied) that Clause I(C) of the Operating Agreement only applies to a permanent (as opposed to interim) Head of School, the Defendant is in breach of the aforesaid clause by reason of the fact that it has since 1 August 2017 been managing and continues to manage HKIS without any permanent Head of School who is a member of the MC and a director of the Defendant.
- F3. Head of School is not acting with ultimate responsibility to the Plaintiff and is not acting with responsibility that HKIS fulfils the purposes as stated in the Operating Agreement and in the Mission Statement of the School
59. As further pleaded in Sections F10 and H below, the Plaintiff (by itself and/or through KWM) has repeatedly requested the Defendant to provide information regarding the management of HKIS and has repeatedly raised concerns over the breaches of the Operating Agreement as pleaded herein.
60. In particular, the letters by KWM to JSM dated 21 December 2022, 24 February 2023, 12 April 2023, 18 August 2023, 29 November 2023, 6 February 2024 and 5 June 2024 were copied to Ron Roukema and a copy of the letter from KWM to JSM dated 4 September 2025 was sent to Ron Roukema by the Plaintiff on 4 September 2025. Ron Roukema also attended: (a) open meetings between representatives of the Plaintiff and the Defendant on 16 November 2022, 25 November 2022, 22 February 2023 and 22 May 2023; and (b) without prejudice meetings between representatives of the Plaintiff and the Defendant on 23 September 2024 and 28 May 2025.

61. Despite the aforesaid, Ron Roukema has failed to: (a) share any information with the Plaintiff; (b) communicate with or report to the Plaintiff or otherwise address the concerns of the Plaintiff; and/or (c) take any steps to effect the rectification of the Defendant's breaches of the Operating Agreement or the Articles as pleaded herein.
62. In the premises, in breach of Clause I(H) of the Operating Agreement, the Defendant has since 21 December 2022 at the latest been managing and continues to manage HKIS with a Head of School, i.e. Ron Roukema, who is: (a) not acting with ultimate responsibility to the Plaintiff; and/or (b) is not acting to ensure that HKIS fulfils the purposes as stated in the Operating Agreement and in the Mission Statement of the School.
63. Further or alternatively, to the extent (which is denied) that Clause I(H) of the Operating Agreement only applies to a permanent (as opposed to interim) Head of School, the Defendant is in breach of the aforesaid clause by reason of the fact that it has since 21 December 2022 at the latest been managing and continues to manage HKIS without any permanent Head of School who: (a) is acting with ultimate responsibility to the Plaintiff; and/or (b) is acting to ensure that HKIS fulfils the purposes as stated in the Operating Agreement and in the Mission Statement of the School.
64. For the avoidance of doubt, the Plaintiff does not take issue with Ron Roukema's educational experience or qualifications.
- F4. A majority of the senior administrators are not members of the Plaintiff or members in good standing in a congregation served by the Plaintiff; and there is no strong nucleus of Christian teachers at HKIS
65. To the best of the Plaintiff's knowledge:
- 65.1 As at 1 September 2024, to the best of the Plaintiff's knowledge, the Defendant employed 277 faculty staff, 65 teacher assistants, 198 support staff and 25 administrators at HKIS (i.e. a total of 565 total staff).
- 65.2 Out of the 565 staff, only 3 (namely, Gayle Renken, Martin Schmidt and Michael Kersten), representing about 0.5% of the total staff at HKIS are members of the Plaintiff.

- 65.3 As at the date of this Statement of Claim, 24 of the 565 staff are listed on the HKIS website as senior staff members.
- 65.4 Out of those 24 senior staff members, only 1 (namely, Gayle Renken, representing about 4.2% of the total senior staff at HKIS) is a member of the Plaintiff.
66. Further, to the best of the Plaintiff's knowledge, less than a majority of the 565 staff members are members in good standing in a congregation served by the Plaintiff. In particular:
- 66.1 Membership of such a congregation requires a lengthy course of catechesis (religious instruction) and a public affirmation of faith and agreement with the teaching and practice of that congregation, and membership in good standing requires regular worship at that congregation (i.e. at least twice per month) consistent with the principles of the Plaintiff and that congregation of the Plaintiff.
- 66.2 To the best of the Plaintiff's knowledge, a majority of the 565 staff in HKIS do not satisfy these requirements.
67. In the premises, in breach of Clause I(A)(2)(b) of the Operating Agreement, the Defendant has since 1 September 2024 at the latest been managing and continues to manage HKIS without a majority of senior administrators being members of the Plaintiff or members in good standing in a congregation served by the Plaintiff, and without a strong nucleus of Christian teachers.
- F5. The office of Chairman of the board of directors of the Defendant was filled by the same person for more than three consecutive years
68. On 26 January 2015, Harold Kim (who self-identifies as having no religious affiliation) was appointed by the directors of the Defendant as the Chairman of the Defendant's board of directors with effect from July 2015. Pursuant to the Clause I(C)(4)(b) of the Operating Agreement, Harold Kim's term as Chairman of the Defendant's board of directors shall not continue beyond 31 July 2018.
69. Upon request by the Defendant in a meeting in St Louis, Missouri, United States on 31 May 2018 (which was attended by Kevin Robson and other

representatives of the Plaintiff and Harold Kim, Mark Wallis and Joel Scheiwe of the Defendant), by letter dated 15 June 2018 from the Plaintiff to the Defendant, the Plaintiff granted a limited waiver to Clause I(C)(4)(b) of the Operating Agreement by permitting an extension of Harold Kim's tenure as Chairman of the Defendant's board of directors for six months to 31 January 2019.

70. On 4 July 2018, Harold Kim wrote to the Plaintiff requesting a further extension to his tenure as Chairman of the Defendant's board of directors to 31 July 2019.
71. On 11 July 2018, during a virtual meeting between Kevin Robson of the Plaintiff and Harold Kim of the Defendant, the Plaintiff refused that request and confirmed that it would not grant any extension beyond 31 January 2019.
72. By letter dated 31 July 2018, the Defendant wrote to the Plaintiff, again requesting a waiver from the Plaintiff of Clause I(C)(4)(b) of the Operating Agreement to permit Harold Kim to serve as Chairman of the Defendant's board of directors to 31 July 2019.
73. By letter dated 18 October 2018, the Plaintiff again refused the Defendant's request.
74. By letter dated 8 May 2019, the Defendant wrote to the Plaintiff stating *inter alia* that upon the expiry of Harold Kim's tenure as Chairman of the Defendant's board of directors on 31 January 2019, Harold Kim himself would be elected as "*ad hoc Chair until the end of the next scheduled [board] meeting [of the Defendant]*".
75. Thereafter, to the best of the Plaintiff's knowledge:
  - 75.1 The Defendant adopted the practice of appointing Harold Kim as the "Ad-Hoc Chair until end of next board meeting" at each meeting of the Defendant's directors (except for at least two board meetings dated 24 January 2022 and 19 March 2022 in which no such appointment was made).
  - 75.2 At all material times up to the date of this Statement of Claim, by virtue of the aforesaid practice: (a) Harold Kim has been the Chairman of the Defendant's board of directors; (b) no person

other than Harold Kim has been Chairman (whether ad-hoc or otherwise).

76. This aforesaid practice is a deliberate attempt by the Defendant to circumvent the restriction under Clause I(C)(4)(b) of the Operating Agreement and the refusal of the Plaintiff to grant a further waiver of that clause beyond 31 January 2019.

77. In the premises, in breach of Clause I(C)(4)(b) of the Operating Agreement, the Defendant has since 31 January 2019 been managing and continues to manage HKIS with the tenure of Harold Kim as Chairman of the Defendant's board of directors going beyond 3 consecutive years.

78. Further or alternatively, to the extent (which is denied) that (a) Clause I(C)(4)(b) only applies to a permanent (as opposed to an ad hoc) Chairman of the Defendant's board of directors and (b) Harold Kim is only an ad hoc (but not a permanent) Chairman of the Defendant's board of directors (despite the fact that Harold Kim is sometimes referred to as the "Chair" and not "ad hoc Chair" by Defendant (and Harold Kim himself)), the Defendant is in breach of the aforesaid clause by reason of the fact that it has since 31 January 2019 been managing and continues to manage HKIS without any permanent Chairman of its board of directors that had a limit of its tenure of no more than 3 consecutive years.

F6. Failure to make HKIS open to all children with priority to students of greatest need of an English language curriculum based on the American style of education

79. In the 2025/2026 academic year, the Defendant charged annual school fees of up to HK\$312,300 (including mandatory capital levy and experiential learning program fee, but excluding further application fees, entry fees, and fees for school buses, lunches, uniforms, laptops, extra-curriculars and other items).

80. For the 2024/2025 academic year, the Defendant increased tuition fees for HKIS secondary school students by approximately 4.5%, and by approximately 4% for the 2025/2026 academic year (in each case, compared to the previous academic year).

81. Further, since at least May 2019, the Defendant has been offering for sale a range of debentures priced at HK\$3,000,000 and HK\$5,000,000 on terms which: (a) allow the holder to nominate a child or children for a “priority place”, a “priority placement”, or to be placed “at the top of the wait pool” in the admissions process at HKIS; (b) are repayable by the Defendant at its election (and therefore only represent a liability of the Defendant if the Defendant chooses to repay).
82. HKIS is not an inclusive school. As at mid-2024, the median monthly wage in Hong Kong is HK\$20,500. The average family in Hong Kong is unable to pay the aforesaid school fees and/or purchase the aforesaid debentures.
83. In the premises, in breach of Clause I(A)(1)(b) of the Operating Agreement, the Defendant has since 2019 at the latest been managing and continues to manage HKIS in a manner that: (a) is not open to all children meeting the admissions requirement; and/or (b) prioritizes students from families who can afford the afore-pleaded school fees and/or debentures (rather than students with the greatest need of an English language curriculum based on the American style of education).

F7. Failure to adhere to the Lutheran teachings and principles of the Plaintiff

- (a) Principles under Article II of the constitution of the Plaintiff

84. Article II of the constitution of the Plaintiff (“**Article II**”) states:

*“The Synod, and every member of the Synod, accepts without reservation:*

1. *The Scriptures of the Old and the New Testament as the written Word of God and the only rule and norm of faith and of practice; [and]*
2. *All the Symbolical Books of the Evangelical Lutheran Church as a true and unadulterated statement and exposition of the Word of God, to wit: the three Ecumenical Creeds (the Apostles’ Creed, the Nicene Creed, the Athanasian Creed), the Unaltered Augsburg Confession, the Apology of the Augsburg Confession, the Smalcald*

*Articles, the Large Catechism of Luther, the Small Catechism of Luther, and the Formula of Concord.”*

85. The Plaintiff avers that, on a proper interpretation of Article II(1), the reference to the Old and New Testament is a reference to the Christian Bible (also referred to as the “**Holy Scriptures**”), which provide the only foundational authority and act as the only rule and norm of faith and of practice for the Plaintiff.
86. The Symbolical Books of the Evangelical Lutheran Church, as referred to in Article II(2), are also known as “**The Book of Concord**” and are based on complete adherence to the entirety of the Holy Scriptures. In particular, the Large Catechism of Luther and the Small Catechism of Luther form the basis of all religious instruction within the Lutheran Church and education of those texts to students are indispensable to education at a Lutheran school.
87. The Holy Scriptures and the Book of Concord materially provide for *inter alia* the following fourteen principles (collectively, the “**Principles**”). For the avoidance of doubt, these fourteen Principles are not an exhaustive list of the principles of Lutheran Christianity, but they are the key principles on which the Plaintiff relies in support of its claims herein.
- 87.1 Principle 1: People cannot embark on a “spiritual journey” of their own volition towards becoming a Christian; only the faithful preaching and teaching of the Holy Scriptures and the administration of the Sacraments of Christ can bring about, nurture and strengthen faith in the redemptive work of Jesus Christ (the Holy Scriptures at Romans 10:17, the Apostle Paul at 1 Corinthians 2:11b-14 and 12:3b and Matthew 28:19-20a; the Book of Concord at the Explanation to the Third Article of the Creed in the Small Catechism of Luther).
- 87.2 Principle 2: All people are born with sin, and only by faith in the person and work of Jesus Christ (i.e., by believing in Jesus’ assumption of our human nature as the Son of the true God and in his suffering, death, and resurrection for all mankind’s sin) can one be saved from eternal death and damnation; and such faith is created and sustained in the faithful teaching and proclamation of the Holy Scriptures and baptism into the Christian church (the



Holy Scriptures at John 14:6, Acts 4:12, Ephesians 2:8-9 and Romans 1:16-17 and 3:23-25, 27-28; the Book of Concord at Article II of the Augsburg Confession).

- 87.3 Principle 3: Religious pluralism and/or the facilitation or promotion of any religious faith or belief system other than in the Christian God is rejected (the Holy Scriptures at Galatians 1:6-10, Colossians 2:8, John 14:6, Acts 4:12, 1 John 4:1 and the First Commandment; the Book of Concord at the Explanation to the First Commandment in the Large Catechism of Luther).
- 87.4 Principle 4: Participation (regardless of whether on the basis of a full-developed faith or merely curiosity) in the festivals or practices of other religions is strictly prohibited (as false idolatry and a denial of the exclusive claims of Christianity) (the Holy Scriptures at 1 Corinthians 10:18-22 and Romans 13:12).
- 87.5 Principle 5: Christianity is not a moral philosophy or ethical framework. The purpose of faith in the Christian God is not merely the end goal of doing good works or attaining a certain standard of success or living by being a “good” person; rather, the purpose is firmly clinging to the salvation of man from sin through the death and resurrection of Jesus Christ. Eternal salvation is a gift of grace alone and not a result of human works; while the Bible describes certain moral and ethical behaviours, these flow only from *faith* in Christ (the Holy Scriptures at Ephesians 2:8-10; the Book of Concord at Article IV of the Augsburg Confession and Article 1:Sin of the 3<sup>rd</sup> Part of the Smalcald Articles).
- 87.6 Principle 6: Regular Christian worship is central to Christian life and Christian education (the Book of Concord at Articles V and XXIV of the Augsburg Confession and the Explanation to the First Petition of the Small Catechism of Luther).
- 87.7 Principle 7: the Holy Scriptures should be broadly taught and promoted (with no child too young to learn God’s Word), with the aim of bringing people to God and eternal salvation (the Holy Scriptures at 2 Timothy 3:14b-15, Mark 10:14b-15 and 16:15, Matthew 18:3 and 28:18-20b and Ephesians 6:4; the Book of

Concord at the Preface to the Small Catechism of Luther and the Preface to the Large Catechism of Luther).

- 87.8 Principle 8: The acceptance and promotion of certain activities (such as homosexuality, same-sex marriage and transgender-affirming care) are to be rejected (the Holy Scriptures at Genesis 1:26-29, 2:7 and 18-24, Romans 1:18-32, Leviticus 18:22, 1 Corinthians 6:9 and 19-20 and Psalm 139:13-14).

For the avoidance of doubt, the Plaintiff does not reject or revile LGBTQ+ people and/or those who practice non-Christian religions; all people are God's creation to be warmly loved as neighbours. The Plaintiff, however, cannot condone *acts* that are inconsistent with Article II, or the promotion of those acts.

- 87.9 Principle 9: The love of God and love of money are incompatible (the Holy Scriptures at Matthew 6:19-21, 9:24 and 21:12-13, Luke 16:13b, 1 Timothy 6:10 and Hebrews 13:5).

- 87.10 Principle 10: Assets must be put to work to expand the Kingdom of God (the Holy Scriptures at Matthew 25:14-30).

- 87.11 Principle 11: The Christian faith should be boldly and openly proclaimed, without apology, hesitation, shame or fear of consequence (the Holy Scriptures at 2 Timothy 1:8, Romans 1:16, 1 Corinthians 1:31, Galatians 6:14, Mark 8:38 and 1 Peter 4:16).

- 87.12 Principle 12: Secular laws must be obeyed, and oaths and promises must be kept (the Holy Scriptures at Numbers 30:2, Luke 20:25, Romans 13:1-4, Titus 3:1 and James 5:12; the Book of Concord at Augsburg Confession Article XVI and the Explanations to the First, Fourth, Eighth, Ninth and Tenth Commandments in the Small and Large Catechisms of Luther).

- 87.13 Principle 13: People should give generously and selflessly in love, hospitality and support to others, taking particular care to deliver mercy to the poor and needy, without showing partiality (the Holy Scriptures at Leviticus 19:9-10, Psalm 37:21, Proverbs 11:24-25, Proverbs 19:17, Proverbs 22:2, Proverbs 22:9, Luke 12:33, Luke

18:22, Luke 21:1-4, Acts 10:34-35, 2 Corinthians 8:1-15, 2 Corinthians 9:6 and James 2:1-9).

87.14 Principle 14: Resources should be carefully stewarded and not wasted (the Holy Scriptures at Deuteronomy 24:19-22, Proverbs 12:27, Ecclesiastes 10:18, Luke 14:28-33 and John 6:12).

88. The Principles set out fundamental beliefs of the Plaintiff and its millions of members around the world; and the adherence to the Principles is, to the Defendant's knowledge and agreement, a fundamental condition and basis for the Plaintiff's establishment of HKIS and entry into the Operating Agreement.
- (b) Programme of religious education does not offer the Christian Gospel to the students and/or is not consistent with the teaching of the Plaintiff
89. As at the date of this Statement of Claim, the HKIS High School offers *inter alia* the subjects of "Religion" and "Spiritual Exploration" as part of its education.
90. According to the 2024 HKIS High School Handbook ("**HKIS Handbook**"), the subject "Religion" is a subject worth 0.5 credit (out of 22 credits required for high school graduation) and is studied in just one semester in one of grades 10, 11 or 12. This subject accounts for just over 1% of the time spent (or just over 5 minutes per day) over four years of High School. Students studying the subject have the option of selecting which of the following five courses to study:
- 90.1 Course 1: "Applied Practices of Mindfulness", which: (a) explores and trains students in mindfulness, meditation, yoga and mental habits derived from contemporary research in positive psychology, and examines the religious historical roots of yoga and meditation to understand current developments and practices; and (b) involves student engaging in regular practice of meditation and yoga, "Shinrin Yoku" walks (i.e. forest bathing) and Float Co. meditations (i.e. sensory deprivation tanks).
- 90.2 Course 2: "Searching for Self", which: (a) aims to enable students to gain a better sense of life direction through a holistic exploration of their bodies, minds and hearts, with the starting point of this

journey being the assumption that each aspect of the self (body, mind and heart) has its own unique and intelligence that brings to bear in addressing the question of purpose of life; and (b) includes assessments based on nutrition and personality type.

- 90.3 Course 3: “Comparative Religions”, which: (a) explores both major and minor world religions through a series of inquiries and investigation in questions such as: “What is religion? How are religions born? Why do religions change or die? Are all religions basically the same? What is the future of religion?”; (b) involves students reading sacred texts from a variety of world religions; and (c) assesses students, in part, based on articulating a personal understanding of their own spirituality.
  - 90.4 Course 4: “Christian Apologetics”, which: (a) gives students the opportunity to be grounded in the logical reasons for belief in the Christian faith, by exploring and evaluating the evidence for Christianity; and (b) asks questions like “Is the Bible trustworthy?” and invites students to evaluate the reasons why Christianity claims to validate the Bible.
  - 90.5 Course 5: “Biblical Explorations”, which: (a) whilst introducing the Bible as religious literature and a faith document for Christians, encourages students to reflect on the nature of spirituality (especially in relationship to their own worldview and personal development); and (b) assesses students based on their personal understanding of the Bible’s purpose and message.
91. Further, according to the HKIS Handbook, the subject “Spiritual Exploration” is studied from grades 9 to 12 and is worth 1 credit (spread out as 0.25 credit for each year). The subject accounts for around 2.5% of the time spent (or just more than 10 minutes per day) over four years of High School. The subject involves *inter alia*:
- 91.1 The exploration of the meaning of spirituality, identity and purpose as it relates to one’s spiritual journey; how spirituality can benefit personal well-being; and the relationship between spirituality and being religious and non-religious.
  - 91.2 The study of the values, history, selected texts of various spiritual traditions, faiths and worldviews across the world (such as the non-

judgmental awareness of Daoist philosophy) in ways that are applicable and accessible to people of any or no religious affiliation; and the development of appreciation and respect for the spiritual heart of Christianity and other major world religions.

91.3 The participation in practices of various spiritual traditions, faiths and worldviews across the world, such as by creating kintsugi bowls, participating in Chinese tea ceremonies, practicing *tai chi*, trying rock binding and rock balancing.

91.4 The finding of balance within oneself and the world by integrating the values that comprise one's life; and the creation of a student's own identity and spiritual truth that the student carries beyond high school.

92. As further stated in the HKIS Handbook:

92.1 The philosophy behind the subject "Religion" at HKIS is to educate students to *inter alia*: (a) live according to positive values including ethical conduct and with empathy; (b) develop their own spiritual identity and engage in open conversations about spiritual and religious questions; (c) understand and live in harmony with different spiritual or religious perspectives; and

92.2 The purpose behind the subject "Spiritual Exploration" is to encourage students to "explore and develop their spiritual identity" and enter a "journey of reverence that explores the meaning of [their] lives and connections with God, other people, and the world".

93. By reason of the matters pleaded in paragraphs 90 to 92 above, the contents taught in and the philosophy of the subjects "Religion" and "Spiritual Exploration" at the HKIS High School do not promote and/or are inconsistent with Article II. In particular:

93.1 There is no mandatory Christian (let alone Lutheran Christian) education at HKIS. It is possible for a student to complete High School with no Christian education within the subject "Religion" (by choosing Course 1 or Course 2) or to be educated exclusively

in a non-Christian religion within the subject “Religion” (by choosing Course 1).

- 93.2 Courses 1 and 2 of the subject “Religion”, and the subject “Spiritual Exploration”, do not promote Article II or the fourteen Principles.
- 93.3 Course 4 of the subject “Religion” does not accept the Holy Scriptures and the Book of Concord without reservation, as the course invites students to question the “trustworthiness” and “logic” of the Holy Scriptures, look for evidence for the teachings in the Holy Scriptures (such as the life, death and resurrection of Jesus Christ), and evaluate why Christianity “claims” to validate the Holy Scriptures, contrary to Principles 2 and 7.
- 93.4 Course 5 requires students to develop a personal view of the Bible and refers to external sources for its validation. The notion of an autonomous, self-designed personal “spiritual journey” toward salvation or spiritual enlightenment is incompatible with Principles 1, 5 and 7. Additionally, as per Principles 1, 5 and 7, the purpose of Christianity is not the promotion of moral “lessons” but rather a pathway to eternal life, from which good works spring forth.
- 93.5 It is to be inferred from the lack of any express reference in the HKIS Handbook to the Large Catechism of Luther and the Small Catechism of Luther that these texts, together with the fourteen Principles, are not taught in their entirety (or at least substantially) in either of the subject “Religion” or “Spiritual Exploration”.
- 93.6 The use by HKIS of Lutheran Christian religious curricula published by the Concordia Publishing House (an agency of the Plaintiff) was explicitly rejected by Harold Kim and Joel Scheiwe on behalf of the Defendant in several conversations with Kevin Robson of the Plaintiff in or around 2017-2020, on the purported ground that such curricula were inappropriate for the HKIS student body.
- 93.7 In breach of Principles 3 and 4:

- (a) Course 1 of the subject “Religion”, and the subject “Spiritual Exploration”, involve the promotion and practice of various spiritual traditions, faiths and worldviews, including Hinduism (which encourage the discovery of “truth” through multiple and often conflicting sources), Buddhism (which promotes spiritual enlightenment through pursuit of morality, meditation and wisdom), *tai chi* (a form of yoga anchored in Eastern mysticism with the aim of achieving mindfulness and peacefulness and spiritual balance between “yin” and “yang”).
- (b) Course 3 and the philosophy of the subject “Religion”, and the subject “Spiritual Exploration”, promote religious pluralism by introducing and encouraging respect for other religions as equivalents or equals to Christianity. The Plaintiff has no objection to offering academic courses in comparative religions at the secondary level and, as standard practice, offers such courses in virtually all the Plaintiff’s secondary schools. However, the Plaintiff and its schools categorically reject any claim that other religions are equivalent to Christianity.

93.8 In breach of Principles 1, 2 and 5, Courses 1, 2, 3 and 5 and the philosophy of the subject “Religion”, and the subject “Spiritual Exploration”, involve students embarking on a spiritual journey of their own with the end goal of attaining:

- (a) a personal understanding of religion, their own values and identity, spirituality, and/or the Holy Scripture’s purpose and message;
- (b) personal well-being;
- (c) a standard of living of being “mindful”, “balanced” within one’s personal values, ethical and/or empathetic; and
- (d) a better sense of life direction through an exploration of the body, mind and heart;

rather than the promotion of faith in Jesus Christ as the exclusive pathway to redemption and salvation of man from sin and damnation.

93.9 In addition, as at the date of this Statement of Claim:

- (a) The Lower Primary and Upper Primary levels of HKIS offer religious curriculum that spends dedicated time to gain a deep understanding of different world religions such as Judaism, Buddhism, Islam and Hinduism, including through sharing holiday celebrations of those religions, visiting temples, shrines and mosques.
- (b) The Middle School of HKIS also offers religious curriculum teaching Christianity and other world religions.
- (c) In breach of Principles 3 and 4, the religious curriculum offered at the Lower and Upper Primary Levels and Middle School of HKIS promotes and practices various religions around the world on an equal footing as Christianity.

93.10 For the avoidance of doubt, courses of comparative religion can be offered consistently with Article II (and is so offered by many of the Plaintiff's secondary schools), so long as the courses reject any claim that other religions are equivalent to Christianity or that there are pathways towards salvation or eternal life other than through faith in Jesus Christ.

94. Further, in breach of Principles 6, 7 and 11, HKIS does not hold worship services and/or prayers and devotions on a weekly basis with mandatory (or at least strongly encouraged) participation by all HKIS students in each grade, depriving students of the opportunity to learn from direct participation in Lutheran Christianity, and separately, the opportunity to participate in the sacred rituals of Christianity (see Principle 6).

95. Yet further, given the volume of the Holy Scriptures and the Book of Concord (amounting to hundreds and even thousands of pages in total), the time allocated to the teaching the subject "Religion" and/or "Spiritual Exploration" (as pleaded in paragraphs 90 and 91 above) is grossly insufficient to teach those texts. By contrast, the high schools operated by the Plaintiff in the United States typically require a four-year course of



Lutheran Christian education (studying the Old Testament in Grade 9, the New Testament in Grade 10, Christian Doctrine and Lutheran Theology in Grade 11, and Christian Living and Apologetics in Grade 12), offering at least eight times the amount of teaching hours that HKIS spends on the subjects “Religion” and “Spiritual Exploration”, in addition to the opportunity to learn in weekly worship services.

96. By reason of the matters pleaded in paragraphs 89 to 95 above, the Defendant has failed to provide a programme of Christian education and/or religious studies that is consistent with the Lutheran teachings of the Plaintiff, and is managing HKIS in a manner that is in breach of Clause I(A)(1)(a) and I(A)(2)(c) of the Operating Agreement.

- (c) Failure to uphold the Christian ethos of the School and/or failure to serve the community in a manner consistent with the teachings of the Plaintiff

97. In breach of Principles 3 and 4, the Defendant failed to prevent, and/or actively endorsed and promoted, the celebration of festivals and ceremonies of non-Christian religions on the HKIS campus. In particular:

97.1 Hannukah (a Jewish religious celebration) was promoted and celebrated in the library of HKIS in November 2022, with books on Christmas (a Christian celebration) and Hannukah prominently displayed at the entrance of the library with equal standing in the lead up to those celebrations.

97.2 HKIS celebrated Holi (a Hindu festival) on the HKIS campus in 2019, with the Defendant expressly endorsing and promoting those celebrations by publication of social media posts in connection therewith.

97.3 The HKIS Diversity, Equity, Inclusion and Justice Council (a student club at the HKIS) (“**DEIJ**”) celebrated:

- (a) Diwali (a Hindu festival) on the HKIS campus in 2023 and 2024, with students being marked with “mehndi” (i.e. henna tattoos marking the festival, which last several weeks); and

- (b) Nowruz (a Zoroastrian religious celebration), Eid Al-Fitr (an Islamic religious celebration) and Holi on the HKIS campus at the same time as and with equal prominence as Easter (a Christian event) in 2024.

98. Further, in breach of Principle 8, the Defendant failed to prevent, and/or actively endorsed, the promotion of alternative lifestyles including homosexuality, same-sex marriage and transgender-affirming care. In particular:

98.1 The DEIJ has publicly promulgated causes via its Instagram posts and stories dated 11 October 2022, 28 October 2022, 13 November 2022, 20 November 2022, 21 November 2022 and 2 June 2023 relating to the LGBTQ+ community, including National Coming Out Day in 2022, Intersex Awareness Day in 2023, Transgender Awareness Week in 2022 and Pride Month in 2023.

98.2 Further, the DEIJ encouraged and supported via its Instagram posts and stories particularized in paragraph 98.1 above the acceptance of homosexual activities and gender-affirming care; and via its Instagram profile provided resources to HKIS students in connection thereto (including providing resources for access to hormone replacement therapy and gender re-assignment surgery).

98.3 Such activities of the DEIJ were conducted with the assent, support and/or promotion of the Defendant, as inferred from the facts that the Defendant:

- (a) lists DEIJ as an official student club of HKIS;
- (b) allowed and continues to allow the DEIJ to publicly use the HKIS name and logo (registered trade marks of the Defendant) to conduct its activities;
- (c) has publicly endorsed the DEIJ and its activities by the Defendant's Instagram posts dated 8 February 2023 and 17 February 2023; and
- (d) discussed the DEIJ in its board meeting on 18 March 2023.

99. For the avoidance of doubt:

99.1 The Defendant is not prohibited from enrolling students who believe or participate in the LGBTQ+ ideology and/or non-Christian religions; however, the Defendant is contractually bound not to actively promote, endorse or facilitate the same at HKIS.

99.2 The Plaintiff respects all people and does not reject people believing in LGBTQ+ ideology and/or non-Christian religions; however, it does not and cannot condone acts (such as LGBTQ+ acts or worship of non-Christian religions) that are inconsistent with Article II occurring at or with consent or approval of HKIS.

100. Yet further, in breach of Principles 3, 7 and 11, the Defendant does not boldly and openly proclaim the Christian faith and the key tenets thereof consistently with the teachings of the Plaintiff, without apology, hesitation, shame or fear of consequence. In particular:

100.1 As at the date of this Statement of Claim:

- (a) The Defendant's website does not contain any statements of Article II or any of the fourteen Principles.
- (b) Where Christianity is referred to in the Defendant's website, it is often referred to as one of several alternative religions on equal footing, through the repeated use of the phrases "Christianity and other world religions" and "Christianity and other religions".

100.2 The current edition of the HKIS Human Resources Brochure ("**HKIS HR Brochure**"), which is used by the Defendant to recruit prospective staff at HKIS, expressly states that "*being grounded in the Christian faith does not mean Christian exclusiveness*".

100.3 In a telephone conversation between Harold Kim of the Defendant and Kevin Robson of the Plaintiff on 11 July 2018, the Defendant stated that it kept references to Christianity in its religious curriculum documents deliberately "vague" as the Defendant could not "afford to destroy [its] community".

(d) Operating HKIS as a business

101. Further, it is to be inferred from the following matters that, in breach of Principles 9 and 10, the Defendant has since 2019 at the latest been managing and continues to manage HKIS as a business, instead of as a charity or a community organization that above all advances the mission and ministry of the Plaintiff and/or uses its surplus for expanding access to education for the wider community.

101.1 The Defendant has accumulated surplus and assets far beyond what is reasonably necessary for the management and operation of HKIS as a not-for-profit school. In particular:

- (a) While the HKIS website states that “*As a not-for-profit school, HKIS sustains its operations through tuition fees*” (emphasis added), from its operation of HKIS, the Defendant generated net operating surplus (equivalent to “net profit” in a for-profit company) of:
  - (i) almost HK\$800 million (approximately US\$97 million) cumulatively over the five financial years up to and including the year ended 31 July 2024; and
  - (ii) HK\$291,456,623 (approximately US\$37 million) in the financial year ended 31 July 2024.
- (b) According to the audited financial statements of the Defendant for the financial year ending 31 July 2024 (“**2024 AFS**”), as at 31 July 2024, the Defendant had *inter alia*:
  - (i) Net assets (reserves) of HK\$2,810,639,332 (approximately US\$ 360 million);
  - (ii) Current assets of HK\$2,457,010,383 (approximately US\$315 million), which includes:
    - (I) cash and cash equivalents of HK\$1,283,837,456 (approximately US\$164 million), comprising of:

(1) deposits with banks of HK\$1,157,907,493 (approximately US\$148 million); and

(2) cash at bank and in hand of HK\$125,929,963 (approximately US\$16 million); and

(II) financial assets held at fair value (i.e. investments) of HK\$1,113,716,618 (approximately US\$142 million) held in quoted but unlisted funds outside Hong Kong (including a significant investment in Apollo Overseas Partners X, L.P., a Cayman Islands private equity fund).

(c) Further, according to the 2024 AFS, for the financial year ending 31 July 2024, the Defendant had:

(i) Total income of HK\$1,002,305,531; and

(ii) Total expenses of HK\$710,848,908.

(d) The Defendant is a significant landowner in Hong Kong. Apart from 4 plots of land granted to the Defendant housing the Tai Tam Campus, the Defendant also owns, *inter alia*, the following apartment buildings: (a) Block C, South Bay Villas, 4 South Bay Close, Repulse Bay; (b) Tai Tam Gardens, 700 Tai Tam Reservoir Road; and (c) Village Court, 7 Stanley New Street (excluding G/F).

(e) According to the Education Bureau Circular No. 14/2015 dated 3 August 2015 issued by the Education Bureau of the Government of Hong Kong ("**EDB 14/2015**"):

(i) All income derived by schools should be kept in a manner that involves the minimum risk (paragraph 2).

- (ii) Surplus funds not immediately required for use by schools may be placed in time deposits or savings accounts with banks (paragraph 3).
  - (iii) It would be appropriate for schools to spread their bank deposits among several licensed banks ... For fund size of over HK\$5 million, deposits with any one bank should be subject to a maximum exposure equivalent to 20% of the total funds under management (paragraph 4).
  - (iv) Any other form of speculative investment (e.g. local equities) is not recommended because of the risk of financial loss (paragraph 3).
- (f) According to the Education Bureau Circular No. 5/2025 dated 30 April 2025 issued by the Education Bureau of the Government of Hong Kong ("**EDB 5/2025**"), which replaced EDB 14/2015 from 30 April 2025 onwards:
- (i) As private schools may collect school fees and other charges, they are accountable to parents, students and relevant stakeholders on the use of such resources for providing quality education. They should ensure that use of all funds is justified, publicly defensible, and in compliance with *inter alia* Education Bureau Circulars and Service Agreements signed between the Government and the schools (where applicable) (paragraph 2).
  - (ii) As a general principle, speculative investment by private schools is not recommended. Should private schools make investments that involve risks, they should be mindful of the level of risks involved and make informed decisions with well documented reasons (paragraph 3).
  - (iii) All private schools are recommended to spread their bank deposits among several licensed banks ... For fund size of over HK\$5 million, deposits with any

one bank should be subject to a maximum exposure equivalent to 20% of the total funds under management (paragraph 4).

- (iv) When making investments, the school management should accumulate at all times operating reserve sufficient to meet at least four months of operating expenses of the school (paragraph 5(a)).
- (v) All investments should be considered and approved by the school management with the involvement of parent representatives as appropriate; the consideration and approval process should be clearly documented (paragraph 5(c)).
- (g) By reason of the matters pleaded in sub-paragraphs (a) to (d) above, the Defendant has been managing HKIS' finances in a manner that is inconsistent with and/or goes far behind the advice or recommendation of EDB 14/2015 and/or EDB 5/2025, in that:
  - (i) The Defendant engaged in highly speculative private equity investments, with no proper consultation with or accountability (including proper disclosure of the reasons for and details of such investments) to the parents of HKIS or the Plaintiff.
  - (ii) In the financial year ending 31 July 2024, the Defendant holds reserves (net assets) (HK\$2,810,639,332 as set out in the 2024 AFS) equal to more than 47 months of its operating expenses,<sup>2</sup> which is more than 10 times the amount recommended by the Education Bureau.<sup>3</sup>
  - (iii) There is no proper disclosure of whether the Defendant's cash and cash equivalents of

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<sup>2</sup> Being HK\$59,237,409, calculated as total expenses in the 2024 AFS of HK\$ 710,848,908 divided by 12.

<sup>3</sup> i.e. 4 months of the operating expenses, which is HK\$236,949,636, being HK\$59,237,409 x 4.

HK\$ 1,157,907,493 (which far exceeds HK\$5 million) are properly spread out in different banks with a maximum exposure of 20% of the total funds in management. It is to be inferred from such lack of disclosure that, in fact, the funds are not properly spread out.

101.2 Further, notwithstanding the significant wealth of the Defendant as pleaded in paragraph 101.1 above, the Defendant has aggressively and continuously fundraised from its community:

- (a) In the five financial years leading to the end of 31 July 2024, the Defendant received HK\$111,660,377 in donations.
- (b) The Defendant is currently selling nearly twenty “naming opportunities” for its new Student Activity Centre (as pleaded in paragraph 101.4 below).
- (c) The Defendant has recently established a new corporate entity in the United States (i.e. Friends of HKIS, Inc.) to facilitate further fundraising (including via cryptocurrency); and, to the best of the Plaintiff’s knowledge, is establishing one or more new entities in Hong Kong for the same purpose.

101.3 Similarly, notwithstanding the significant wealth of the Defendant as pleaded in paragraph 101.1 above, the Defendant has provided a wholly inadequate amount of scholarships and financial assistance to expand community access to HKIS.

- (a) According to the 2024 AFS, the Defendant:
  - (i) made an accounting provision (i.e. a book entry setting aside money) for scholarships and financial assistance in the total amount of HK\$66,421,313 for the financial year ending 31 July 2024, representing 10% of the tuition fees received by the Defendant in that financial year; and



- (ii) “provided” (i.e. awarded to students) scholarships and financial assistance in the total amount of HK\$64,053,602 for the financial year ending 31 July 2024, representing 9.64% of the tuition fees received by the Defendant in that financial year.
- (b) The 2024 AFS further refer to a requirement to “set aside” and “provide” 10% of the “tuition fee income” for scholarships and other financial assistance for deserving students:
  - (i) To the best of the Plaintiff’s knowledge, a service agreement has been entered into between the Defendant and the Education Bureau by which the Government provides assistance and support to HKIS (though the Plaintiff does not have a copy thereof and is not aware of its exact terms) (“**Service Agreement**”).
  - (ii) According to the sample service agreements published by the Education Bureau on its website, it is a standard term of such a service agreement that not less than 10% of “total school fee income” is set aside for the purpose of providing scholarship or other financial assistance for deserving students. It is to be inferred that this standard term is one of the terms of the Service Agreement.
  - (iii) According to the 2024 AFS, total “student fees” comprise not only of “tuition fees”, but also “entry fees” and “application fees”. In the premises, the reference in the 2024 AFS to a requirement to set aside and provide 10% of only the “tuition fee income” as scholarships and financial assistance is incorrect.
- (c) In breach of the requirement in the Service Agreement, the amount of scholarships and financial assistance:

- (i) for which the Defendant made an accounting provision for the financial year ended 31 July 2024 amounts to only 9.84% of total “student fee income”, and only 6.63% of total income, in that financial year; and
  - (ii) awarded by the Defendant for the financial year ended 31 July 2024 amounts to only 9.49% of total “student fee income”, and only 6.39% of total income, in that financial year.
- (d) Based on the 2024 AFS, the Defendant could increase scholarships and financial assistance by over 400% and still have a significant net operating surplus.

By failing to generously give scholarships and financial aid to needy students and families, the Defendant breaches Principle 13. By breaching the Service Agreement (and the Operating Agreement) the Defendant also breaches Principle 12.

101.4 Still further, by Condition of Grant No. 20382 of RBL No. 1199 (“**RBL 1199**”) and Condition of Grant No. 20383 of RBL No. 1216 both dated 13 September 2021, the Defendant was granted two plots of land in the Tai Tam Campus at nominal consideration and rent. In particular:

- (a) In breach of Principle 14, notwithstanding the fact that HKIS already has a gymnasium, two indoor swimming pools, and one of the largest playing fields in Hong Kong, the Defendant is constructing a new “Student Activity Centre” on the plot of land granted by RBL 1199 at the cost of over HK\$1 billion, which is intended to include *inter alia* two additional gymnasiums, an additional indoor swimming pool, four tennis courts, a fitness centre, an indoor golf simulator, a dance studio and indoor rock-climbing facilities.
- (b) The Plaintiff was not provided with any advance details of the excess of the Student Activity Centre.

- 101.5 Yet still further, in a 2022 interview with CEO Magazine, Ron Roukema, the HKIS interim Head of School referred to students at HKIS as “customers” and expressed surprise that when he joined the Defendant in 2014 “*such a large school [i.e. HKIS] that wasn’t operating as a business*”.
- 101.6 The Plaintiff also repeats and refers to the matters pleaded in Section F6 above.
- 101.7 By reason of the matters pleaded in the preceding sub-paragraphs:
- (a) The following statement in the HKIS website “*As a not-for-profit school, HKIS sustains its operations through tuition fees*” (underline added) is incorrect and/or misleading.
  - (b) The vast amount of financial reserves and assets held by the Defendant are not utilized for charitable purposes to expand access to education to the wider community or to advance the mission and ministry of the Plaintiff; but are accumulated for profit-earning (through bank deposits and/or financial assets) or utilized for purposes benefiting only the existing school community (which is not open to all children, especially those in need).
102. In the premises, by reason of the matters pleaded in paragraphs 97 to 101 above, and paragraphs 104 to 107 and paragraphs 141 to 146 below, the Defendant has failed to uphold the Christian ethos of the School and/or serve the community (whether the existing HKIS community or the wider Hong Kong community or the international community desiring to study in Hong Kong) in a manner consistent with the teachings the Plaintiff, and is managing HKIS in a manner that is in breach of Clauses I(A)(1)(a), I(A)(2)(b) and I(D) of the Operating Agreement.
103. By managing HKIS in the manner described in paragraph 102, the Defendant has failed to ensure that the administration and directors of the Defendant strive to serve in their respective capacities in a manner consistent with the teachings of Jesus Christ in breach of Clause I(A)(2)(b) of the Operating Agreement.

- (e) Mission Statement inconsistent with the Christian teachings of the Plaintiff

104. The Mission Statement of HKIS is:

*“Dedicating our minds to inquiry, our hearts to compassion, and our lives to service and global understanding.*

*An American-style education grounded in the Christian faith and respecting the spiritual lives of all.”*

105. The dedication of the mind to inquiry, the heart to compassion, and lives to service and global understanding is inconsistent with Principles 1, 2 and 5, which require dedication to faith in Jesus Christ as the exclusive means through which redemption and salvation from sin and damnation is attained.

106. The phrase “*respect for the spiritual lives of all*” is defined in the HKIS HR Brochure to mean *inter alia* that there is no Christian exclusiveness, and that equal recognition, honour and respect is given to different spiritual and religious beliefs. The Plaintiff repeats paragraph 100.2 above. In the premises, the Mission Statement of HKIS is inconsistent with Principles 3 and 4.

107. By reason of the matters pleaded in paragraphs 104 to 106 above, the Defendant has been managing and continues to manage HKIS with a Mission Statement that is inconsistent with the teachings of the Plaintiff, in breach of Clause I(A)(2)(a) of the Operating Agreement.

F8. Failure to operate HKIS in a model and standard consistent with the model and standard employed by the Plaintiff in America

108. The schools operated by the Plaintiff in America are operated pursuant to the following general principles and standards:

108.1 The school adheres to the Lutheran teachings and principles of the Plaintiff (as pleaded in Section F7(a) above);

108.2 The Head of School is a member or missionary of the Plaintiff;

108.3 The school is open to all and does not sell debentures granting priority to children from families that can afford the same; and

108.4 The school is operated as a Christian charity or community organization and is not run as a business – fees are kept low, and excess funds are not hoarded, but used to expand access to education for the relevant communities (such as by granting scholarships and/or bursaries to those in need, reducing school fees and/or keeping school fees at a level affordable by the average family, and/or expanding the number of student intakes) and/or to advance the Plaintiff's mission and ministry. Extravagant new facilities are not constructed at the cost of the school's community.

109. By reason of the matters pleaded in Sections F1, F6 and/or F7 above, in breach of Clause I(A)(1)(b) of the Operating Agreement, the Defendant has since 2019 at the latest been managing and continues to manage HKIS in a manner inconsistent with the American model and standards of the Plaintiff as pleaded in paragraph 108 above.

F9. Failure to exercise powers only for the benefit of HKIS and the community it serves

110. By reason of the matters pleaded in Sections F1 to F8 above, in breach of Clause I(D) of the Operating Agreement, the Defendant has since 2017 been managing and continues to manage HKIS in a manner inconsistent with the Lutheran teachings of the Plaintiff and/or the Defendant's obligations under the Operating Agreement; and therefore in a manner that is not for the benefit of HKIS and the community it serves (whether the existing HKIS community or the wider Hong Kong community or the international community desiring to study in Hong Kong).

F10. Failure to provide information to the Plaintiff

111. In breach of Clause I(G) of the Operating Agreement, the Defendant has failed to provide the following information to the Plaintiff:

111.1 The annual budget for the 2019-2020, 2020-2021, 2021-2022 and 2023-2024 academic years;

- 111.2 The list naming the members of the Board of Managers and their affiliations for the 2019-2020 and 2023-2024 academic years;
- 111.3 The insurance certificate showing the Plaintiff to be an additional insured to the extent of any liability claims made by third parties against the Plaintiff as lessee of the Repulse Bay Campus under RBL 870 and RBL 911 for the 2019-2020 and 2020-2021 academic years; and
- 111.4 The minutes of all meetings of directors of the Defendant / the MC for the 2018-2019, 2019-2020, 2020-2021 academic year (including specifically for the meetings dated 21 January 2019, 11 November 2019, 17 April 2021).
112. In addition, although the Defendant purported to provide the 2022-2023 annual budget and the minutes of certain meetings of the directors for the 2019-2024 academic years, the documents provided were so brief and lacking in elaboration and supporting information or documentation that they do not on a proper construction of Clause I(G) of the Operating Agreement fall within the meaning of “annual budget” and “minutes of the Board of Managers meetings”. In particular:
- 112.1 The so-called annual budget for 2022-2023 was only half a page long, while the audited financial statement for that year ran to more than 40 pages.
- 112.2 The minutes of meetings of the directors for the 2019-2024 academic year:
- (a) are unsigned;
  - (b) refer to reports and other information given to the directors, which were not shared with the Plaintiff;
  - (c) are summaries of outcomes only, without any commentary or discussion of the matter at hand;
  - (d) refer to the directors proceeding to “Executive Session” (i.e. closed-door meetings of the directors), for which no minutes were supplied to the Plaintiff; and

- (e) refer to the work of various board committees for which no minutes of such board committee meetings were supplied to the Plaintiff.

- 113. Further or alternatively, in breach of Clause I(G) of the Operating Agreement, the Defendant has failed to provide (a) the minutes of meetings of the Defendant's board of directors and (b) audited financial statements of the Defendant to the Plaintiff on an annual basis (i.e. the information provided for a particular academic year does not relate to that academic year but relates to a previous academic year). The particulars of the Defendant's failure are set out in **Annex A** and **Annex B** respectively.
- 114. Yet further or alternatively, in breach of Clause I(G) of the Operating Agreement, the Defendant has failed and continues to fail to provide pertinent information to the Plaintiff despite the Plaintiff's repeated requests (which were made by the Plaintiff as part of a wider audit into HKIS as a result of its concerns over the Defendant's breaches of the Operating Agreement in its management of HKIS as pleaded hereinabove). The particulars of the Defendant's failure are set out in **Annex C**.

F11. Failure to jointly review the Operating Agreement every six years

- 115. By letters from KWM to JSM dated 12 April 2023, 18 August 2023, and 29 November 2023, the Plaintiff:
  - 115.1 stated that it understood the periodic review of the Operating Agreement pursuant to Clause I(B) thereof was overdue and that it expected to commence such review and renegotiation shortly;
  - 115.2 proposed its team to undertake that review and amendment process; and
  - 115.3 requested the Defendant's confirmation of its cooperation to undertake the review, and for the identities of the people from the Defendant who would be involved in such review.
- 116. By reply letters dated 20 May 2023 and 14 December 2023, the Defendant via its solicitors failed to provide the confirmation sought.

117. In a meeting on 22 May 2023 between Harold Kim, Tim Blakely, Ron Roukema, David Kan and Vincent Li of the Defendant, FK Au, solicitor for the Defendant and Ike Kutlaca and Francis Chan, solicitors for the Plaintiff, the Plaintiff re-iterated that it had been preparing for the renegotiation of the Operating Agreement.
118. Despite a statement in JSM's letter dated 8 April 2024 that the Defendant was ready and willing to conduct the joint review of the Operating Agreement, as at the date of this Statement of Claim the Defendant has taken no steps to implement the joint review or even respond to the Plaintiff's thrice-repeated request for the Defendant to identify the personnel that would participate in the review.
119. In the premises, in breach of Clause I(B) of the Operating Agreement, the Defendant has refused and continues to refuse to conduct a joint review of the Operating Agreement.

F12. Failure to indemnify the Plaintiff

120. The Plaintiff has incurred third-party fees and expenses arising out of or in connection with the Defendant's operation of HKIS, namely the fees of its Hong Kong property advisors, and Hong Kong and American lawyers for the purpose of its audit into HKIS and the Defendant (which ran from 2022 to 2024) below and/or for the purpose of these proceedings, as pleaded in paragraph 124.
121. The Plaintiff would not have incurred such costs and expenses at all or in such amounts, but for the Defendant's failure to operate HKIS in accordance with the Operating Agreement; and/or refusal to cooperate with the Plaintiff (in particular, with the Plaintiff's audit of HKIS and its operation thereof) as pleaded in paragraph 114 above.
122. By letters from KWM to JSM dated 12 April 2023, 18 August 2023, 29 November 2023 and 6 February 2024, the Plaintiff requested that the Defendant confirm that it would indemnify the Plaintiff in respect of the fees and expenses as pleaded in 120 above.
123. By letters from JSM to KWM dated 20 May 2023, 14 December 2023 and 8 April 2024, the Defendant refused to confirm that it would indemnify the Plaintiff.



124. By letter from KWM to JSM dated 4 September 2025, the Plaintiff demanded the Defendant indemnify the Plaintiff the fees and expenses pleaded in paragraph 120 above, which as at 29 August 2025 stood at US\$ 1,749,888.18, as further particularized as follows:

124.1 Fees of Hong Kong property advisors: US\$57,692.31;<sup>4</sup>

124.2 Fees and disbursements of Hong Kong lawyers: US\$1,583,708.33;  
and

124.3 Fees and disbursements of American lawyers: US\$108,487.54.

The aforesaid costs for which the Plaintiff seeks an indemnity are only third-party costs and expenses incurred by the Plaintiff. The Plaintiff does not claim any indemnity for the internal costs that it has incurred in relation to the management of HKIS.

125. In breach of Clause I(B) of the Operating Agreement, the Defendant has refused and/or failed to indemnify the Plaintiff of the aforesaid amounts.

126. The Plaintiff reserves its right to amend this Statement of Claim to update the amount of fees and expenses it will incur from time to time and in respect of which it claims to be indemnified from the Defendant.

### **G. Other Misconduct by the Defendant**

127. The Plaintiff further avers that the afore-pleaded breaches of the Operating Agreement took place, and continue to take place, against the context of the following further wrongful conduct by the Defendant, which demonstrate and fortify a complete disregard and repudiation by the Defendant of the agreed fundamental basis for co-operation with the Plaintiff in the management and operation of HKIS.

#### **G1. Breaches of the Articles**

128. Pursuant to Clause IV(D) of the Operating Agreement, the terms of the Operating Agreement together with the relevant terms of the Articles

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<sup>4</sup> HK\$450,000 using an exchange rate of US\$1 to HK\$7.8.

represent the whole agreement between the Plaintiff and the Defendant in relation to their co-operation in the management of HKIS.

- (a) *No consultation with and approval by the Plaintiff for the appointment of directors of the Defendant*

129. The particulars of the current 11 directors of the Defendant are as follows:

<b>Name</b>	<b>Professional Affiliation / Background (to the best of the Plaintiff's knowledge based on public information)</b>	<b>First Appointment Date</b>
Harold Kim	Founder and CEO of Neo Risk Investment Advisors, an investment advisory and fund management company	28 January 2013
Vincent Li	Finance professional / businessman	20 August 1998
Timothy Blakely	Hong Kong Managing Partner of Morrison Foerster, a global law firm	24 September 2016
Ji-Il Kwon	Head: APAC Fundamental Research of Qube Research & Technologies, a global investment manager	9 March 2015
Kosmas Kalliarekos	Executive Officer of EQT Group, a private equity firm	1 August 2014 and 20 January 2025
Wei Dian	Banking professional	24 September 2018
Joel Scheiwe	Pastor at the Church of All Nations	1 August 2014
Christina Gaw	Managing Principal, Global Head of Capital Markets of Gaw Capital Partners, a real estate and private equity fund management firm	25 January 2021
Leontine Chuang	Partnerships Manager of Foundation for Shared Impact, an NGO	30 January 2023
Alistair Jor Ting Ho	Managing Director, Head of Asia-Pacific of Waterfall Asset Management, an investment management firm	30 June 2022
Karena Belin	Co-Founder and COO of AngelHub, a startup investment platform; CEO and Co-Founder at WHub, a startup Ecosystem builder	30 June 2022

130. Pursuant to Article 26 of the Articles of Association, each director shall hold office until the conclusion of the next annual general meeting ("AGM") of the Defendant. Accordingly, it is to be inferred that the

current 11 directors of the Defendant were appointed into office at the most recent AGM (to which the Plaintiff was not invited, does not know the date, and has not received any relevant documents).

131. In breach of Article 25 of the Articles of Association, the aforesaid appointments were made at that AGM without the approval of the Plaintiff.
132. Further or alternatively, in breach of Article 25 of the Articles of Association, the first appointments of Christina Gaw on 25 January 2021, Leontine Denise Chuang on 30 January 2023, Alistair Jor Ting Ho on 30 June 2022 and Karena Uta Belin on 30 June 2022, and the re-appointment of Kosmas Kalliarekos on 20 January 2025, as directors of the Defendant have not (whether at the most recent AGM or otherwise) been approved by the Plaintiff.
133. The Plaintiff was not aware of the appointments of these directors of the Defendant (and the appointment and resignation of Michelle Bang as director of the Defendant in 2021 and 2022 respectively), until its discovery of the same via its 2022-2024 audit of HKIS.
134. Had the approval of the Plaintiff been properly sought prior to the appointments of each of the 11 directors:
  - 134.1 The Plaintiff would not have approved the current composition of the board, which has a majority of directors with a professional background in investment management and/or private equity (and no educators), which the Plaintiff believes contributed to the Defendant wrongfully managing HKIS as a business (as pleaded in paragraph 101 above).
  - 134.2 Instead, the Plaintiff would have ensured that the composition of the board of the Defendant has a strong nucleus of educators and Lutheran Christians who will strive to serve the community consistently with the teachings of the Plaintiff in accordance with the Operating Agreement.

(b) *Exercise of powers in conflict with the Constitution of the Plaintiff*

135. Further, by reason of the matters pleaded in Section F7 above, in breach of Article 35 of the Articles of Association, the Defendant has been exercising its powers in a manner that is in conflict with the Constitution of the Plaintiff.

G2. Execution of Documents Without Authority of the Plaintiff

136. On or about 21 January 2019, Joel Scheiwe, a director of the Defendant, signed a memorandum on the letterhead of HKIS concerning "*Record Plans indicating the location and scope of the Outside Works relating to Rural Building Lot No. 911*", purportedly "*for and on behalf of [HKIS], as the lawful attorney of [the Plaintiff]*" ("**Memorandum**").
137. That Memorandum was subsequently registered in the Land Registry against the Repulse Bay Campus by Memorial No. 19022602250037 on 26 February 2019 ("**Memorial**").
138. The Memorial initially stated that the Memorandum was registered by JSM, but the name of the Plaintiff was later substituted in its place. It is to be inferred from the aforesaid that Joel Scheiwe was acting on behalf of and/or under the instructions of the Defendant when he executed the Memorandum, and that JSM registered the Memorandum on behalf and/or under the instructions of the Defendant.
139. The Memorandum and the Memorial were executed and/or registered without the authority of the Plaintiff.
140. In a meeting dated 22 February 2023 between Ike Kutlaca and Louise Lau, solicitors for the Plaintiff and Harold Kim, Timothy Blakely, Ron Roukema and David Kan on behalf of the Defendant and FK Au as solicitor for the Defendant, Harold Kim on behalf of the Defendant admitted that it seems the Defendant had erred in executing the Memorandum.

G3. Criminal Offence under Section 645(6) of the CO

141. Pursuant to section 645(1) of the CO, if a person is appointed as a director of a company, the company must within 14 days after the appointment

deliver to the Companies Registry for registration a notice in the specified form containing: (a) the director's particulars specified in its register of directors; (b) a statement that the person has accepted the appointment; and (c) if the person is a natural person, a statement that he or she has attained the age of 18 years.

142. Pursuant to section 645(4) of the CO, if a person ceases to be a director or reserve director of a company or there is any change in the particulars contained in the register of directors of a company, the company must, within 15 days after the cessation or change, deliver to the Registrar for registration a notice in the specified form containing: (a) the particulars of cessation or change and the date on which it occurred; and (b) other matters that are specified in the relevant form.
143. Under section 645(6) of the CO, if a company contravenes section 645(1) or section 645(4), the company, and every responsible person of the company, commit an offence, and each is liable to a fine at level 4 and, in the case of a continuing offence, to a further fine of \$700 for each day during which the offence continues.
144. Particulars of the Defendant's failure to comply with the CO are set out in **Annex D**.
145. In the premises, the Defendant and its directors and secretary (Dr Ronald Roukema) have committed an offence under section 645(6) of the CO.
146. By failing to obey the laws of Hong Kong, and by risking almost HK\$1 million of its assets on fines (assets which could otherwise be used for the education of HKIS students), the Defendant breaches Principles 12 and 14 respectively.

#### **H. Knowing Violation by the Defendant; and Full Study and Discussion Between the Parties**

147. The Plaintiff has raised the breaches and wrongdoing of the Defendant as pleaded hereinabove to the Defendant, and the parties have engaged in a full study and discussion of the same, during the following communications between the parties:

- 147.1 Open written communications from the Plaintiff (or KWM) to the Defendant (or JSM) dated 2 November 2022, 10 November 2022, 14 November 2022, 21 December 2022, 20 February 2023, 24 February 2023, 10 March 2023, 12 April 2023, 4 May 2023, 18 August 2023, 29 November 2023, 6 February 2024 and 4 September 2025;
- 147.2 Open written communications from the Defendant (or JSM) to the Plaintiff (or KWM) dated 2 November 2022, 4 November 2022, 11 November 2022, 12 November 2022, 14 November 2022, 16 February 2023, 20 February 2023, 21 February 2023, 31 March 2023, 26 April 2023, 11 May 2023, 20 May 2023, 20 September 2023, 14 December 2023, 8 April 2024 and 10 September 2025; and
- 147.3 Open meetings between representatives of the Plaintiff (or KWM) and the Defendant (or JSM) dated 16 November 2022, 25 November 2022, 10 February 2023, 22 February 2023 and 22 May 2023.
148. The Plaintiff, Defendant and/or their legal representatives also engaged in the following without prejudice correspondence and discussions:
- 148.1 Without prejudice letters from the Plaintiff (or KWM) to the Defendant (or JSM) dated 24 August 2023, 5 September 2023, 17 October 2023, 7 November 2023, 8 February 2024, 6 June 2024, 14 June 2024, 16 July 2024, 14 August 2024, 27 August 2024, 28 March 2025, 8 May 2025 and 22 May 2025;
- 148.2 Without prejudice letters from the Defendant (or JSM) to the Plaintiff (or KWM) dated 31 August 2023, 12 September 2023, 31 October 2023, 14 December 2023, 9 April 2024, 24 June 2024, 25 June 2024, 5 August 2024, 16 August 2024, 10 September 2024, 10 April 2025 and 16 May 2025; and
- 148.3 Without prejudice meetings and calls between the Plaintiff and the Defendant (and/or their legal representatives) dated 14 August 2023, 24 August 2023, 31 August 2023, 11 September 2023, 19 September 2023, 2-3 October 2023, 24 October 2023, 20 February 2024, 26 February 2024, 9 April 2024, 23 May 2024, 27 May 2024,

5 June 2024, 6 June 2024, 12 June 2024, 25-26 July 2024, 16 August 2024, 23 September 2024, 24 January 2025, 12 February 2025, 10 March 2025, 28 May 2025, 5 June 2025, 17 June 2025, 10 July 2025, 29 July 2025 and 3 September 2025.

149. In particular, in the open letter from KWM to JSM dated 4 September 2025, the Plaintiff:

149.1 Re-iterated that the Defendant had knowingly violated the Operating Agreement in the manner pleaded herein;

149.2 Stated that the Defendant's breaches of the Operating Agreement are fundamental breaches going to the root of the Operating Agreement; and

149.3 Gave notice to the Defendant that time is of the essence in complying with the Operating Agreement, in that a final opportunity is given to the Defendant to rectify its breaches as pleaded herein and comply with all its obligations under the Operating Agreement on or before the conclusion of the 2027-2028 academic year (June 2028) at the latest (with such reasonable period of time given to the Defendant to effect and implement the necessary changes to the management and operation of HKIS).

149.4 Stated that if the Defendant fails to rectify all its breaches and comply with all of its obligations under the Operating Agreement on or before the conclusion of the 2027-2028 academic year (June 2028) at the latest, and thereby continues in its fundamental breach and repudiation of the Operating Agreement, the Plaintiff intends to terminate the Operating Agreement and evict the Defendant from the Repulse Bay Campus and Tai Tam Campus, as a means to distance itself from the Defendant's mismanagement and education programme that is inconsistent with the Lutheran teachings of the Plaintiff.

150. By way of reply to KWM's letter dated 4 September 2025, JSM, in its letter dated 10 September 2025, stated *inter alia* that:

150.1 “no admission is made by [the Defendant] to any of the allegations made” in KWM’s letter, and that the “allegations of breaches are refuted”; and

150.2 the Defendant is “not bound by any arbitrary and meaningless deadlines”.

151. Given that the current dispute has been ongoing for several years with extensive correspondence and discussion on these matters (see paragraphs 147 and 148), in light of the above, the Plaintiff now has no option but to initiate these legal proceedings.

### **I. Reliefs Sought by the Plaintiff**

152. By reason of the matters pleaded hereinabove, unless restrained and/or ordered to be specifically performed by this Honourable Court, the Defendant threatens to knowingly continue and repeat the wrongful acts complained of.

153. In the premises, the Plaintiff is entitled to and does claim injunctive reliefs and orders for specific performance as pleaded in the prayers for relief herein.

154. Further, by reason of the matters pleaded in Section F12 above, the Plaintiff claims from the Defendant:

154.1 The sum of US\$1,749,888.18 which is presently due to the Plaintiff pursuant to Clause I(D) of the Operating Agreement.

154.2 Further or alternatively, an indemnity pursuant to Clause I(D) of the Operating Agreement against the Defendant for the fees and expenses that have been incurred and/or will be incurred from time to time by the Plaintiff arising out of or in connection with the Defendant’s operation of HKIS.

154.3 Further or alternatively, damages in the amounts as pleaded in paragraph 154.1 above as loss and damage caused by the Defendant’s breach of Clause I(D) of the Operating Agreement.



155. The Plaintiff is further entitled to and does claim against the Defendant for interest at such rate and for such period as the Court deems fit pursuant to sections 48 and/or 49 of the High Court Ordinance (Cap. 4).
156. For the avoidance of doubt, as indicated in the Plaintiff's letter of demand dated 4 September 2025, the Plaintiff expressly reserves its right to terminate the Operating Agreement at the conclusion of the 2027-2028 academic year (June 2028) (whether pursuant to Clause IV(C) of the Operating Agreement or under the common law) and evict the Defendant from the Repulse Bay Campus and Tai Tam Campus, should the Defendant fail to rectify all its breaches and comply with the Operating Agreement by that date. In that event, the Plaintiff will seek leave to amend this Statement of Claim to seek appropriate relief.

AND THE PLAINTIFF CLAIMS AGAINST THE DEFENDANT:

1. Final injunctions restraining the Defendant, by itself or by its directors, servants, agents or otherwise howsoever from managing and/or operating HKIS:
  - 1.1 with Dr Ronald Roukema or any other person as Head of School (whether on a permanent or interim basis) who: (a) is not a member or missionary of the Plaintiff; (b) is not a director of the Defendant; (c) is not a member of the MC; (d) is not the Supervisor of the HKIS, and/or (e) is not approved by the Plaintiff;
  - 1.2 without any permanent Head of School who: (a) is a member or missionary of the Plaintiff; (b) is a director of the Defendant; (c) is a member of the MC, is the Supervisor of HKIS; (d) acts with ultimate responsibility to the Plaintiff and ensures that HKIS fulfils the purposes stated in the Operating Agreement and the Mission Statement (through acting in accordance with paragraphs 2.1(a) and 2.1(b) below); and (e) with the approval of the Plaintiff;
  - 1.3 without a majority (i.e. over 50%) of senior administrators who are not members of the Plaintiff or members in good standing in a congregation served by the Plaintiff (i.e. a member of a congregation who has served a lengthy course of catechesis and made a public affirmation of faith and agreement with the teaching and practice of that congregation and who attends worship at that

congregation on a regular basis, namely at least two times per month);

- 1.4 with Harold Kim or any other person acting or continuing to act as the Chairman of the board of directors of the Defendant (whether on a permanent or interim or ad hoc basis) for more than three consecutive years;
- 1.5 without any permanent Chairman of the board of directors of the Defendant that has a limit of its tenure of no more than three consecutive years;
- 1.6 with offers (such as offers for sale of debentures) on terms which allow for a priority place or placement of a child in the admissions process at HKIS;
- 1.7 with annual school fees (inclusive of mandatory capital levies and other miscellaneous other charges) charged at a rate exceeding 50% of the monthly median wage published by the Census and Statistics Department of the Government of Hong Kong of the preceding academic year, or at such reasonable amount that the Court thinks fit to ensure that HKIS is open to all children;
- 1.8 offering a religious education programme (howsoever called, whether by the name of "Religion", "Spiritual Exploration", or otherwise) that does not expressly accept and teach without reservation Article II and all of the Principles;
- 1.9 allowing, endorsing or facilitating the celebration or promotion of, or celebrating or promoting, practices, festivals and ceremonies of a religion other than Christianity;
- 1.10 allowing, endorsing or facilitating the celebration or promotion of, or celebrating or promoting, homosexuality, same-sex marriage and transgender-affirming care;
- 1.11 with a Mission Statement that is inconsistent with the Principles, in particular through the statements "dedicating our minds to inquiry, our hearts to compassion and our lives to service and

global understanding” and “respect for the spiritual lives of all”;  
and

1.12 with operating reserves for a financial year exceeding 4 months of its operating expenses (or such amount as the Court thinks fit) for that financial year.

2. Orders of specific performance that the Defendant do:

2.1 procure the Head of School to act with ultimate responsibility to the Plaintiff and with responsibility of fulfilling the purposes of the Operating Agreement and the Mission Statement of the school, by procuring the Head of School to:

(a) provide information and regarding the management and operation of HKIS and/or report to the Plaintiff on the same upon the Plaintiff's request; and

(b) implement all necessary measures at HKIS to ensure compliance with the Operating Agreement (including, in particular, compliance with the Orders to be made herein).

2.2 implement a mandatory religious curriculum at HKIS in which the students are expressly taught to accept without reservation all of the fourteen Principles;

2.3 hold worship services which expressly accept without reservation all of the Principles at least weekly during school term and require all HKIS students in each grade to attend the same mandatorily;

2.4 openly proclaim on the website of HKIS and the HKIS HR Brochure that HKIS accepts without reservation and is managed and operated in accordance with Article II and all of the Principles;

2.5 adopt a Mission Statement that expressly refers to and expressly accepts without reservation Article II and the Principles;

2.6 utilize any excess operating reserves beyond the amount stated in paragraph 1.12 above for the purpose of expanding access to HKIS

(including by (a) reducing school fees; (b) setting up scholarships and/or bursaries) or promoting Article II and the Principles;

- 2.7 set up scholarships in each financial year in an amount not less than 10% of the total school fee income for that financial year;
  - 2.8 provide the information pleaded in paragraph 114 above to the Plaintiff;
  - 2.9 provide the information stated in Clause I(G) of the Operating Agreement to the Plaintiff on an annual basis (i.e. within 90 days or such other reasonable period as the Court thinks fit) after the relevant academic year has expired; and
  - 2.10 conduct a joint review of the Operating Agreement with the Plaintiff and every six years thereafter.
3. The sum of US\$1,749,888.18.
  4. An indemnity on terms as pleaded in paragraph 154.2 above.
  5. Damages for the amounts as pleaded in paragraph 154.3 above.
  6. Interest.
  7. Costs.
  8. Further and/or other relief.

Dated this 10<sup>th</sup> day of September 2025

**Charles Manzoni KC, SC**

**Victor Dawes SC**

**Brian Lee**

Counsel for the Plaintiff



**King & Wood Mallesons**

Solicitors for the Plaintiff

## ANNEX A

Date of Meeting	Date of provision of minutes to the Plaintiff	Days after meeting minutes provided to the Plaintiff	Academic Year to which the minutes relate	Academic year in which the minutes was provided	Academic years between meeting and provision of minutes to the Plaintiff
29 January 2018	25 June 2019	512	2017-2018	2018-2019	1
19 March 2018	25 June 2019	463	2017-2018	2018-2019	1
28 May 2018	25 June 2019	393	2017-2018	2018-2019	1
20 January 2020	2 August 2021	560	2019-2020	2021-2022	2
23 March 2020	2 August 2021	497	2019-2020	2021-2022	2
18 May 2020	2 August 2021	441	2019-2020	2021-2022	2
21 September 2020	2 August 2021	315	2020-2021	2021-2022	1
21 November 2020	2 August 2021	254	2020-2021	2021-2022	1
25 January 2021	3 August 2022	555	2020-2021	2022-2023	2
22 March 2021	3 August 2022	499	2020-2021	2022-2023	2
17 May 2021	3 August 2022	443	2020-2021	2022-2023	2
20 September 2021	3 August 2022	317	2021-2022	2022-2023	1
13 November 2021	3 August 2022	263	2021-2022	2022-2023	1
24 January 2022	16 February 2023	388	2021-2022	2022-2023	1
19 March 2022	16 February 2023	334	2021-2022	2022-2023	1
23 May 2022	16 February 2023	269	2021-2022	2022-2023	1
30 January 2023	12 March 2024	407	2022-2023	2023-2024	1
18 March 2023	12 March 2024	360	2022-2023	2023-2024	1
22 May 2023	12 March 2024	295	2022-2023	2023-2024	1
25 September 2023	3 March 2025	525	2023-2024	2024-2025	1
2 December 2023	3 March 2025	457	2023-2024	2024-2025	1
22 January 2024	3 March 2025	406	2023-2024	2024-2025	1
16 March 2024	3 March 2025	352	2023-2024	2024-2025	1
13 May 2024	3 March 2025	294	2023-2024	2024-2025	1

## **ANNEX B**

Financial year to which the audited financial statement relates	Date of provision of the audited financial statements to the Plaintiff	Days between end of financial year and provision of audited financial statements to the Plaintiff	Academic year in which the audited financial statement was provided	Academic years between Financial Year and provision of audited financial statements to the Plaintiff
2017-2018	25 June 2019	360	2018-2019	1
2018-2019	10 July 2020	376	2019-2020	1
2019-2020	2 August 2021	398	2021-2022	2
2020-2021	3 August 2022	399	2022-2023	2
2021-2022	27 February 2024	607	2023-2024	2
2022-2023	8 May 2024	313	2023-2024	1
2023-2024	3 March 2025	246	2024-2025	1

### ANNEX C

	Information requested	Date and Mode of Request
1.	Dates of expiration of the term of appointment of each director of the Defendant	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
2.	List of all MC members specifying whether they are the Supervisor or ordinary manager	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023
3.	Copy of registration of each MC member as a manager pursuant to Part III of the EO	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023
4.	Details of the legal basis of the Defendant's right to occupy the Repulse Bay Campus	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
5.	Copies of all approvals in writing given by the Plaintiff to the Defendant in connection with the 2016-2018 redevelopment of the Repulse Bay Campus (including when HKIS students vacated and returned to the, Repulse Bay Campus) (the " <b>Redevelopment</b> ")	Letter dated 29 November 2023  Letter dated 18 August 2023
6.	Information about why Occupation Permit No. HK/28/2017(OP) dated 14 July 2017 concerning RBL 911 was issued to the Defendant and not the Plaintiff	Letter dated 29 November 2023  Letter dated 18 August 2023

7.	Copies of the Demolition Consent; approval of the General Building Plans; Consent to Commence Building Works; and any Occupation Permit other than HK/28/2017(OP) in connection with the Redevelopment	Letter dated 29 November 2023 Letter dated 18 August 2023
8.	Copies of all applications in connection with the Demolition Consent; approval of the General Building Plans; Consent to Commence Building Works; and any other Occupation Permit in connection with the Redevelopment	Letter dated 29 November 2023 Letter dated 18 August 2023
9.	Date on which the Defendant expects to commence the search for the next HKIS Head of School	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023
10.	Information about the Defendant's expectations on the Plaintiff's involvement in the search for the next HKIS Head of School	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023
11.	Information about how the Defendant will assist the Plaintiff to consult with the HKIS community in the search for the next HKIS Head of School	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023
12.	List of the teachers or administrators working at HKIS and called by the Plaintiff, including which entity employs such teachers or administrators	Letter dated 29 November 2023 Letter dated 18 August 2023
13.	Information about whether families affiliated with the Plaintiff and / or Church of All Nations enjoy any preferential enrolment benefits at HKIS	Letter dated 29 November 2023 Letter dated 18 August 2023
14.	Number of students affiliated with the Plaintiff and / or Church of All Nations enrolled in HKIS (and how many families these students are from)	Letter dated 29 November 2023 Letter dated 18 August 2023
15.	Copies of correspondence since 2018 between the EDB and HKIS and/or the Defendant concerning the identity of the sponsoring body of HKIS	Letter dated 29 November 2023



16.	Copies of all agreements entered into between the Defendant and the EDB in relation to HKIS (including service agreements)	Letter dated 29 November 2023
17.	Copies of reports and advices provided by property advisers to the Defendant in respect of the Repulse Bay Campus	Letter dated 29 November 2023
18.	Confirmation that, other than the Defendant, there is no entity owned or controlled by, connected to, or associated with HKIS or the Defendant in any jurisdiction	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
19.	Copies of the Defendant's statutory records (register of members, register of director, register of secretaries, significant controllers register and register of charges)	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
20.	Details of any director of the Defendant holding any office of the Defendant	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
21.	Any circulating or written resolutions of the directors or members of the Defendant (or confirmation that there are no such resolutions)	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023

22.	Confirmation that there were no meetings of the directors of the Defendant in 2022, other than meetings in January 2022, March 2022, May 2022, September 2022 and November 2022	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
23.	Confirmation that there were no meetings of the members of the Defendant in 2022, other than the AGM in May 2022	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
24.	Copies of all documents supplied to the directors of the Defendant relating to the 2022 Academic Year	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
25.	Copies of any documents executed by any director or officer of HKIS or the Defendant as attorney for and on behalf of the Plaintiff, other than (i) the memorandum on HKIS letter dated 21 January 2019 (registered on the Land Registry with Memorial No. 19022602250037); and (ii) pursuant to the power of attorney dated 15 September 2015	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023  Letter dated 24 February 2023
26.	Information about the procedures employed to ensure compliance of the management and administration of the Defendant with the regulations issued by the Plaintiff (per Article 23)	Letter dated 29 November 2023  Letter dated 18 August 2023  Letter dated 12 April 2023

27.	Information about the procedures employed by the directors of the Defendant to ensure that the exercise of their authorities, powers and discretions do not conflict with the Constitution and By Laws of the Plaintiff	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023
28.	Information about who from the Defendant will be involved in the periodic review of the Operating Agreement	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023
29.	Whether Dr Harold Kim has held position of Chairman for more than three consecutive years	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023
30.	Dates of expiry of Ron Roukema's employment contract or contracts	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023 Letter dated 24 February 2023
31.	Confirmation that Ron Roukema is required to notify the directors of the Defendant by January 2024 to change the dates of expiry of each employment contract referred to immediately above	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023 Letter dated 24 February 2023
32.	Confirmation there is no lease or tenancy agreement or document registered with the Land Registry of the Government of the Hong Kong SAR granting the Defendant any right to occupy the Repulse Bay Campus	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023 Letter dated 24 February 2023

33.	Information about which paragraphs of the Operating Agreement contain an explicit or implicit licence (as claimed by JSM) for the Defendant to occupy the Repulse Bay Campus and the terms of such licence	Letter dated 29 November 2023 Letter dated 18 August 2023 Letter dated 12 April 2023 Letter dated 24 February 2023
34.	Confirmation of costs of the Redevelopment for Upper Primary (RBL 870) and for Lower Primary (RBL 911)	Letter dated 29 November 2023 Letter dated 18 August 2023
35.	Confirmation of the Defendant's engagement of Nelson Chen Architects and relevant Authorised Persons in connection with Redevelopment	Letter dated 29 November 2023 Letter dated 18 August 2023

### ANNEX D

Item	Relevant Date (appointment, resignation, change of particulars)	Submission / Filing Deadline per section 645(1) or 645(6) of the CO	Actual Submissi on / Filing Date	Days late	Fine per section 645(6) of the CO (HK\$)
Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	20/1/2025	4/2/2025	9/4/2025	64	69,800
Notice of Change in Particulars of Company Secretary and Director (form ND2B)	1/5/2022	16/5/2022	3/8/2023	444	335,800
Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	27/5/2023	11/6/2023	29/6/202 3	18	37,600
Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	30/6/2022	15/7/2022	24/2/202 3	224	181,800
Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	30/1/2023	14/2/2023	24/2/202 3	10	32,000
Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	30/6/2022	15/7/2022	18/8/202 2	34	48,800
Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	30/6/2022	15/7/2022	18/8/202 2	34	48,800

Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	25/1/2021	9/2/2021	5/3/2021	24	41,800
Notice of Change of Company Secretary and Director (Appointment / Cessation) (form ND2A)	25/1/2021	9/2/2021	5/3/2021	24	41,800
<b>TOTAL</b>					<b>838,200</b>

HCA 1708 / 2025

**IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
ACTION NO. 1708 OF 2025**

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BETWEEN

THE LUTHERAN CHURCH – MISSOURI SYNOD Plaintiff

AND

HONG KONG INTERNATIONAL SCHOOL Defendant  
ASSOCIATION LIMITED

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**WRIT OF SUMMONS**

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Issued on the 17<sup>th</sup> day of September 2025.  
Filed on the 18<sup>th</sup> day of September 2025.

**KING & WOOD MALLESONS**

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