THE MALAYSIAN INSURANCE INSTITUTE
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANY

Financial Statements

For the year ended December 31, 2006
(In Ringgit Malaysia)

contents

Financial Statements

THE MALAYSIAN INSURANCE INSTITUTE

(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors of **THE MALAYSIAN INSURANCE INSTITUTE** ("the Institute") hereby submit their report and the audited financial statements of the Group and of the Institute for the year ended December 31, 2006.

PRINCIPAL ACTIVITIES

The Institute is engaged in the provision and promotion of insurance education, training and research in insurance and related disciplines. The Institute is the sole examining body for professional insurance examinations in the country leading to the award of the Associateship of the MII. It is also a society of insurance professionals. The Institute is affiliated to other insurance examining institutes internationally and works closely with local institutions of higher learning in promoting the development of insurance education in Malaysia.

The subsidiary company was incorporated on September 3, 1999 and has not commenced operation since the date of incorporation.

There have been no significant changes in the nature of the activities of the Institute and of its subsidiary company during the financial year.

RESULTS OF OPERATIONS

The results of the Group and of the Institute for the financial year are as follows:

	The Group	The Institute
	RM	RM
Profit before tax	540,687	537,083
Income tax expense	(670,923)	(669,623)
Net loss for the year	(130,236)	(132,540)

In the opinion of the directors, the results of operations of the Group and of the Institute during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for under provision of deferred tax expense in prior years amounting to RM582,000 as disclosed in Note 9 to the financial statements.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

OTHER FINANCIAL INFORMATION

Before the income statements and balance sheets of the Group and of the Institute were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that all known bad debts have been written off and that adequate allowance have been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of the business have been written down to their estimated realisable values.

At the date of this report, the directors are not aware of any circumstances:

(a) which would render the amount written off or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Institute inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Institute misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Institute misleading or inappropriate; or

(d) no otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Institute misleading.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group and of the Institute which has arisen since the end of the financial year which secures the liability of any other person; and

(b) any contingent liability of the Group and of the Institute which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Institute to meet their obligations as and when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and of the date of this report which is likely to affect substantially the results of the Group and the Institute for the succeeding financial year.

DIRECTORS

The following directors served on the Board of the Institute since the date of the last report:

Y. Bhg. Tan Sri Dato' Sri Dr. Zeti Akhtar Aziz

Encik Donald Joshua Jaganathan

Encik Foong Soo Hah

Encik Anuar Bin Mohd Hassan

Y. Bhg. Dato' Low Heong Chow @ Loh Heong Chow

Y. Bhg. Datuk Lakshmanan Meyyappan

Tuan Hj. Syed Moheeb Bin Syed Kamarulzaman

Y. Bhg. Datuk Ramlan Bin Abdul Rashid

Encik Ng Lian Lu (appointed on 28.02.2006)

Encik Hashim Bin Harun

Encik Mohamad Bin Abdullah

Encik Md Adnan bin Md Zain (appointed on 19.06.2006)

Encik Tan Ah Chuan (appointed on 28.09.2006)

Encik Leong Yee Fook (resigned on 28.09.2006)

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Institute has received or become entitled to receive any benefit by reason of a contract made by the Institute with a firm of which he is a member, or with a company in which he has a substantial financial interest.

During and at the end of the financial year, no arrangement subsisted to which the Institute was a party whereby the directors of the Institute might acquire benefits by means of the acquisition of shares in, or debentures of, the Institute or any other body corporate.

AUDITORS

The auditors, Messrs. Deloitte KassimChan, have indicated their willingness to continue in office.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

Signed

TAN SRI DATO' SRI DR. ZETI AKHTAR AZIZ
(CHAIRMAN)

Signed

FOONG SOO HAH
(DIRECTOR)

Kuala Lumpur
May 16, 2007

Report of the Auditors to the Members of

THE MALAYSIAN INSURANCE INSTITUTE
(Incorporated in Malaysia)

We have audited the accompanying balance sheets as of December 31, 2006 and the related statements of income, cash flows and changes in equity for the year then ended. These financial statements are the responsibility of the Institute's directors. It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

(a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable Malaysian Accounting Standards Board approved accounting standards in Malaysia so as to give a true and fair view of:

  (i) the state of affairs of the Group and of the Institute as of December 31, 2006 and of the results and the cash flows of the Group and of the Institute for the year ended on that date; and

  (ii) the matters required by Section 169 of the Act to be dealt with in the financial statements and consolidated financial statements; and

(b) the accounting and other records and the registers required by the Act to be kept by the Institute and the subsidiary company have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiary company that has been consolidated with the financial statements of the Institute are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements, and we have received satisfactory information and explanations as required by us for these purposes.

Our auditors' report on the financial statements of the subsidiary company was not subject to any qualification and did not include any comment made under Sub-section (3) of Section 174 of the Act.

DELOITTE KASSIMCHAN
AF 0080

Chartered Accountants

KEK AH FONG
1880/4/08 (J)

Partner

May 16, 2007

THE MALAYSIAN INSURANCE INSTITUTE
(Incorporated in Malaysia)

AND ITS SUBSIDIARY COMPANY

INCOME STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

		The Group		The Institute	
	Note	2006 RM	2005 RM	2006 RM	2005 RM
Revenue	7	10,533,242	12,794,858	10,533,242	12,794,858
Other income	8	1,309,458	867,786	1,302,542	861,286
Employee benefits expense	8	(4,234,715)	(3,890,261)	(4,234,715)	(3,890,261)
Depreciation of property, plant and equipment	10	(956,993)	(890,599)	(956,993)	(890,599)
Other expenses	8	(6,110,305)	(7,434,351)	(6,106,993)	(7,430,459)
Surplus before tax		540,687	1,447,433	537,083	1,444,825
Income tax expense	9	(670,923)	(432,652)	(669,623)	(430,952)
Net (deficit)/ surplus for the year		(130,236)	1,014,781	(132,540)	1,013,873

The accompanying Notes form an integral part of the Financial Statements.

THE MALAYSIAN INSURANCE INSTITUTE
(Incorporated in Malaysia)

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BALANCE SHEETS
AS OF DECEMBER 31, 2006

		The Group		The Institute	
	Note	2006 RM	2005 RM	2006 RM	2005 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	10	16,543,085	16,320,056	16,543,085	16,320,056
Investment in subsidiary company	11	-	-	200,002	200,002
Fixed deposits	12	2,297,190	1,745,507	2,297,190	1,745,507
Total Non-Current Assets		18,840,275	18,065,563	19,040,277	18,265,565
Current Assets					
Inventories	13	389,610	674,969	389,610	674,969
Marketable securities	14	963,894	849,327	963,894	849,327
Trade receivables	15	113,815	313,256	113,815	313,256
Other receivables and prepaid expenses	16	901,463	515,685	901,202	515,431
Amount due from subsidiary company	17	-	-	28,624	24,312
Bumiputra Training Fund	18	225	975	225	975
ASEAN Insurance Training Fund	19	51,887	-	51,887	-
Fixed deposits	12	12,821,472	14,437,601	12,594,858	14,217,896
Cash and bank balances		967,623	322,929	956,381	311,687
Total Current Assets		16,209,989	17,114,742	16,000,496	16,907,853
Total Assets		35,050,264	35,180,305	35,040,773	35,173,418

		The Group		The Institute	
	Note	2006 RM	2005 RM	2006 RM	2005 RM
RESERVES AND LIABILITIES					
General reserves	20	6,673,042	6,673,042	6,673,042	6,673,042
Surplus		5,820,972	5,951,208	5,812,781	5,945,321
Accumulated Fund		12,494,014	12,624,250	12,485,823	12,618,363
Liabilities Non-Current and Deferred Liabilities					
Deferred tax liabilities	21	840,000	340,000	840,000	340,000
Zero coupon bonds – Secured	22	18,000,000	18,000,000	18,000,000	18,000,000
Total Non-Current and Deferred Liabilities		18,840,000	18,340,000	18,840,000	18,340,000
Current Liabilities					
Trade payables	23	337,451	506,067	337,451	506,067
Other payables and accrued expenses	23	3,236,097	3,365,527	3,234,797	3,364,527
ASEAN Insurance Training Fund	19	-	146,790	-	146,790
ASEAN Insurance Training and Research Institute	24	76,226	179,952	76,226	179,952
Tax liabilities		66,476	17,719	66,476	17,719
Total Current Liabilities		3,716,250	4,216,055	3,714,950	4,215,055
Total Liabilities		22,556,250	22,556,055	22,554,950	22,555,055
Total Reserves and Liabilities		35,050,264	35,180,305	35,040,773	35,173,418

The accompanying Notes form an integral part of the Financial Statements.

THE MALAYSIAN INSURANCE INSTITUTE
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STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2006

The Group	General Reserves RM	Surplus RM	Total RM
Balance as of January 1, 2005	6,673,042	4,936,427	11,609,469
Net surplus for the year	-	1,014,781	1,014,781
Balance as of December 31, 2005	6,673,042	5,951,208	12,624,250
Balance as of January 1, 2006	6,673,042	5,951,208	12,624,250
Net deficit for the year	-	(130,236)	(130,236)
Balance as of December 31, 2006	6,673,042	5,820,972	12,494,014

The Institute	General Reserves RM	Surplus RM	Total RM
Balance as of January 1, 2005	6,673,042	4,931,448	11,604,490
Net surplus for the year	-	1,013,873	1,013,873
Balance as of December 31, 2005	6,673,042	5,945,321	12,618,363
Balance as of January 1, 2006	6,673,042	5,945,321	12,618,363
Net deficit for the year	-	(132,540)	(132,540)
Balance as of December 31, 2006	6,673,042	5,812,781	12,485,823

The accompanying Notes form an integral part of the Financial Statements.

THE MALAYSIAN INSURANCE INSTITUTE

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AND ITS SUBSIDIARY COMPANY

CASH FLOW STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2006

	The Group		The Institute	
	2006 RM	2005 RM	2006 RM	2005 RM
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES				
Surplus before tax	540,687	1,447,433	537,083	1,444,825
Adjustments for: Depreciation of property, plant and equipment	956,993	890,599	956,993	890,599
Allowance for obsolete inventories	200,000	164,941	200,000	164,941
Property, plant and equipment written off	-	24,246	-	24,246
Interest income	(484,698)	(436,221)	(477,782)	(429,721)
Allowance for diminution in value/(no longer required) - long term investment/ marketable securities	(114,567)	110,119	(114,567)	110,119
Dividend income	(52,385)	(52,903)	(52,385)	(52,903)
(Gain)/Loss on disposal of property, plant and equipment	(14,580)	17,022	(14,580)	17,022
Allowance for doubtful receivables no longer required	-	(1,400)	-	(1,400)
Operating Profit Before Working Capital Changes	1,031,450	2,163,836	1,034,762	2,167,728

	The Group		The Institute	
	2006 RM	2005 RM	2006 RM	2005 RM
(Increase)/Decrease in: Trade receivables	199,441	(259,284)	199,441	(259,284)
Inventories	85,359	245,615	85,359	245,615
Other receivables and prepaid expenses	(360,993)	(111,345)	(360,993)	(111,328)
Amount due from subsidiary company	-	-	(4,312)	(5,193)
Increase/(Decrease) in: Trade payables	(168,616)	130,195	(168,616)	130,195
Other payables and accrued expenses	(129,430)	(43,865)	(129,730)	(44,265)
Cash From Operations	657,211	2,125,152	655,911	2,123,468
Income tax paid	(109,765)	(93,280)	(108,465)	(91,580)
Net Cash From Operating Activities	547,446	2,031,872	547,446	2,031,888
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES				
Interest received	459,913	443,700	453,004	437,200
Dividend received from other investments	39,984	40,424	39,984	40,424
Proceeds from disposal of marketable securities	-	10,000	-	10,000
Proceeds from disposal of property, plant and equipment	14,582	26,843	14,582	26,843
Placement of fixed deposit	(551,683)	(732,735)	(551,683)	(732,735)
Additions to property, plant and equipment	(1,180,024)	(1,206,541)	(1,180,024)	(1,206,541)
Net Cash Used In Investing Activities	(1,217,228)	(1,418,309)	(1,224,137)	(1,424,809)

	Note	The Group		The Institute	
		2006 RM	2005 RM	2006 RM	2005 RM
CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES					
Utilisation of Bumiputra Training Fund		(1,375)	(1,750)	(1,375)	(1,750)
Bumiputra Training Fund grant received		2,125	9,485	2,125	9,485
ASEAN Insurance Training Fund received		-	20,774	-	20,774
Utilisation of ASEAN Insurance Training Fund		(198,677)	(11,000)	(198,677)	(11,000)
ASEAN Insurance Training and Research Institute fund received		-	189,726	-	189,726
Utilisation of ASEAN Insurance Training and Research Institute		(103,726)	(104,500)	(103,726)	(104,500)
Net Cash (Used In)/ From Financing Activities		(301,653)	102,735	(301,653)	102,735
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		(971,435)	716,298	(978,344)	709,814
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		14,760,530	14,044,232	14,529,583	13,819,769
CASH AND CASH EQUIVALENTS AT END OF YEAR	25	13,789,095	14,760,530	13,551,239	14,529,583

The accompanying Notes form an integral part of the Financial Statements.

THE MALAYSIAN INSURANCE INSTITUTE
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Institute is engaged in the provision and promotion of insurance education, training and research in insurance and related disciplines. The Institute is the sole examining body for professional insurance examinations in the country leading to the award of the Associateship of the MII. It is also a society of insurance professionals. The Institute is affiliated to other insurance examining institutes internationally and works closely with local institutions of higher learning in promoting the development of insurance education in Malaysia.

The subsidiary company was incorporated on September 3, 1999 and has not commenced operations since the date of incorporation.

There have been no significant changes in the nature of the activities of the Institute and of its subsidiary company during the financial year.

The Institute is a private company limited by guarantee, incorporated and domiciled in Malaysia.

The principal place of business and registered office of the Institute is located at No.5, Jalan Sri Semantan Satu, Damansara Heights, 50490 Kuala Lumpur.

The financial statements of the Group and of the Institute have been authorised by the Board of Directors for issuance on May 16, 2007.

2. ADOPTION OF NEW AND REVISED FINANCIAL REPORTING STANDARDS

During the current financial year, the Group and the Institute have adopted all applicable new and revised Financial Reporting Standards ("FRS") and Interpretations issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual financial period beginning on or after January 1, 2006. The adoption of these new and revised FRS and Interpretations has no material impact on the financial statements of the Group and of the Institute other than as described below:

FRS 101: Presentation of Financial Statements

The application of FRS 101 has resulted in a change in the presentation of the income statements, balance sheets, statements of changes in equity and cash flow statements for the current financial year. The changes in presentation have also been applied retrospectively.

At the date of authorisation for issue of the financial statements, the following FRS and Interpretations ("Int.") have been issued but not yet effective until future periods:

FRS 6	Exploration for and Evaluation of Mineral Resources
FRS 117	Leases
FRS 124	Related Party Disclosures
FRS 139	Financial Instruments: Recognition and Measurement
Int. 1	Changes in Existing Decommissioning, Restoration & Similar Liabilities
Int. 2	Members' Shares in Co-operative Entities & Similar Instruments
Int. 5	Rights to Interests arising from Decommissioning, Restoration & Environmental Rehabilitation Funds
Int. 6	Liabilities arising from Participating in a Specific Market – Waste Electrical & Electronic Equipment
Int. 7	Applying the Restatement Approach under *FRS 129_{2004} Financial Reporting in Hyperinflationary Economies*
Int. 8	Scope of IFRS 2

Amendment to FRS 119_{2004}, Employee Benefits–*Actuarial Gains and Losses, Group Plans and Disclosures*

Amendments to FRS 121, The Effects of Changes in Foreign Exchange Rates–*Net investment in a Foreign Operation* :

The directors anticipate that the adoption of these FRS, amendments to FRS and Interpretations, as applicable, will have no material impact on the financial statements of the Group and of the Institute except as follows:

FRS 117 Leases

The adoption of the revised FRS 117 will result in retrospective change in the accounting policy relating to the classification of leasehold land. Leasehold land of the Group and of the Institute will be reclassified from property, plant and equipment as operating lease. The up-front payments made for entering into the lease will be accounted for as prepaid lease payments and amortised on a straight-line basis over the lease term. Leasehold land is currently classified as property, plant and equipment and is stated at costs less accumulated depreciation and impairment losses.

FRS 117 is effective for annual financial period beginning on or after October 1, 2006. The Group and the Institute will apply this standard from annual financial period beginning on January 1, 2007 and will account for the unamortised amount of leasehold land as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions of the standard.

FRS 124 Related Party Disclosures

FRS 124 is effective for annual financial period beginning on or after October 1, 2006 and will affect the identification of related parties and certain related party disclosures.

FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 mainly deals with the recognition and measurement of financial assets, financial liabilities and certain contracts falling within its scope. The effective date of this standard has been deferred to a date to be announced by MASB.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Institute have been prepared in accordance with the provisions of the Companies Act, 1965 and the applicable MASB approved accounting standards in Malaysia.

4. FINANCIAL RISK MANAGEMENT POLICIES

The Group and the Institute's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group and the Institute's business whilst managing its risks. The Group and the Institute operates within guidelines that are approved by the Board, and the Group's and the Institute's policy is not to engage in speculative transactions.

The main areas of financial risks faced by the Group and the Institute and the policy in respect of the major areas of treasury activity are set out as follows:

(a) **Foreign currency risk**
The Group and the Institute is exposed to foreign currency risk as a result of its normal operating activities, where the currency denomination differs from the local currency, Ringgit Malaysia (RM). The Group's and the Institute's policy is to minimise the exposure to foreign currency risk by monitoring and approving requisitions which involves foreign currencies.

(b) **Credit risk**
The credit risk is controlled by not granting any credit to individuals and companies with the exception of insurance companies, brokers and loss adjusters, Bank Negara Malaysia, approved financial institutions, approved universities and government bodies with prior approval from the Directors.

(c) **Liquidity and cash flow risks**
The Group and the Institute seeks to achieve a balance between certainty of funding even in difficult times for the markets or the Group and the Institute and a flexible, cost-effective borrowing

structure. This is to ensure that at the minimum, all projected net borrowing needs are covered by committed facilities. Also, the objective for debt maturity is to ensure that the amount of debt maturing in any one year is not beyond the Group's and the Institute's means to repay and refinance.

5. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Group and the Institute have been prepared under the historical cost convention, unless otherwise indicated in the other accounting policies.

Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Institute and its subsidiary company listed under Note 11, made up to December 31, 2006.

The subsidiary company is consolidated using the acquisition method of accounting. On acquisition, the assets and liabilities of the subsidiary company are measured at their fair values at the date of acquisition.

The results of subsidiary companies acquired or disposed of during the financial year are included in the consolidated financial statements from the effective date of acquisition or up to the effective date of disposal.

All significant intercompany transactions and balances are eliminated on consolidation.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, sales tax and allowances.

The Group recognises revenue when the amount of the revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group, upon satisfying the conditions of the Group's activities.

Revenue consists of seminar and course fees, membership fees, examination fees and sale of books. Fees revenue is accounted for on an accrual basis.

Revenue from sales of books is accounted for when the risks and rewards of ownership have passed.

Foreign Currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Ringgit Malaysia, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the "liability" method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

The carrying amount of deferred tax assets, if any, is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intends to settle its current tax assets and liabilities on a net basis.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income statements on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term. However, contingent rentals arising from operating leases are recognised as an expense in a manner consistent with the basis on which they are determined.

Employee Benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contribution are recognised as an expense in the period in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the income statements in the period to which they relate.

Impairment of Assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in income statements.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in income statements.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

A gain or loss arising from the disposal of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in the income statements.

Long term leasehold land are properties with unexpired lease period of fifty years or more.

System under development is not depreciated.

Property, plant and equipment are depreciated on the straight-line method to their residual values at the following annual rates based on estimated useful lives of the various assets:

Long term leasehold land and building	2%
Furniture and fittings, audio visual equipment and office equipment	10% - 20%
Motor vehicles	20%
Computer and peripherals	20%
Renovation	20%

At each balance sheet date, the property, plant and equipment residual values and useful lives are reviewed, and the effect of any changes are recognised prospectively.

Investment in Subsidiary Company

Investment in subsidiary company, which is eliminated on consolidation, held on long term basis is stated at cost in the Institute's financial statements. Where there is an indication of impairment in the value of the investment, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories include books, publications, administrative stationery and other related items.

Receivables

Trade and other receivables are stated at nominal value as reduced by the appropriate allowances for estimated irrecoverable amounts. Allowance for doubtful receivables is made based on estimates of possible losses which may arise from non-collection of certain receivable accounts. Bad debts are written off in the year in which they are identified.

Marketable Securities

Marketable securities held for short-term are stated at the lower of cost (determined on weighted average basis) and market value, determined on an aggregate portfolio basis.

All increases or decreases in the carrying amount of marketable securities are taken up in the income statements.

Dividend income from the marketable securities is included in the income statements when received.

Provisions

Provisions are made when the Group and the Institute have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to a present value where the effect is material.

At each balance date, the provisions are revised by the directors and adjusted to reflect the current best estimate. The provision is reversed if it is no longer probable that the Group and the Institutre will be required to settle the obligation.

Financial Instruments

Financial instruments carried on the balance sheet include bank balance, receivables, payables and borrowings. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Institute has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Government Grants

Government grants are recognised initially at their fair value in the balance sheet as deferred income where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Grants that compensate the Group for expenses incurred are deferred and recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances, fixed deposits and highly liquid investments with maturities of twelve months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) **Critical judgements in applying the Group's and the Institute's accounting policies**

In the process of applying the Group's and the Institute's accounting policies, which are described in Note 5 above, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(ii) **Key sources of estimation uncertainty**

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

7. REVENUE

	The Group and the Institute	
	2006 RM	2005 RM
Fees received	9,199,180	11,180,236
Sale of books	1,334,062	1,614,622
	10,533,242	12,794,858

8. OTHER INCOME/(EXPENSES) AND EMPLOYEE BENEFITS EXPENSE

Included in other income/(expenses) are the following:

	The Group		The Institute	
	2006 RM	2005 RM	2006 RM	2005 RM
Interest income from fixed deposits	484,698	436,221	477,782	429,721
(Provision for diminution in value)/ Provision no longer required for marketable securities	114,567	(110,119)	114,567	(110,119)
Dividend income:				
Shares quoted in Malaysia	46,763	46,883	46,763	46,883
Unit trust quoted in Malaysia	5,622	6,020	5,622	6,020
Gain/(Loss) on disposal of property, plant and equipment	14,580	(17,022)	14,580	(17,022)
Realised gain on foreign exchange	1,692	1,666	1,692	1,666
Allowance for obsolete inventories	(200,000)	(164,941)	(200,000)	(164,941)
Rental of venue	(148,157)	(158,608)	(148,157)	(158,608)
Rental of equipment	(130,730)	(115,111)	(130,730)	(115,111)
Rental of hostel	(83,080)	(68,249)	(83,080)	(68,249)
Auditors' remuneration:				
Current	(37,000)	(31,000)	(36,000)	(30,000)
Underprovision in prior year	-	(400)	-	-
Property, plant and equipment written off	-	(24,246)	-	(24,246)
Allowance for doubtful receivables no longer required	-	1,400	-	1,400

Employee benefits expense include salaries, contributions to EPF and all other staff related expenses. During the financial year, contributions of EPF made by the Group and by the Institute amounted to RM495,182 (2005: RM447,942).

9. INCOME TAX EXPENSE

	The Group		The Institute	
	2006	2005	2006	2005
	RM	RM	RM	RM
Estimated tax payable:				
Current tax	132,300	126,700	131,000	125,000
Deferred tax (Note 21)	(82,000)	328,000	(82,000)	328,000
	50,300	454,700	49,000	453,000
Under/(Over) provision in prior years:				
Current tax	38,623	(22,048)	38,623	(22,048)
Deferred tax (Note 21)	582,000	-	582,000	-
	670,923	432,652	669,623	430,952

The income tax expense/(credit) for the year can be reconciled to the surplus before tax per the income statements as follows:

	The Group		The Institute	
	2006	2005	2006	2005
	RM	RM	RM	RM
Surplus before tax	540,687	1,447,433	537,083	1,444,825
Tax of RM54,975 for the first RM250,000 of chargeable income and the remaining at 28%	136,367	389,526	135,358	389,526
Tax at statutory rate at 20%	461	522	-	-
Tax effects of :				
Expenses not deductible for tax purposes	49,426	64,652	49,596	63,474
Non taxable items	(135,954)	-	(135,954)	-
Under/(Over) provision in prior years:				
Income tax	38,623	(22,048)	38,623	(22,048)
Deferred tax	582,000	-	582,000	-
Tax expense for the year	670,923	432,652	669,623	430,952

10. PROPERTY, PLANT AND EQUIPMENT

The Group and the Institute	Long term leasehold land and building	Furniture and fittings, audio visual and office equipment	Motor vehicles	Computers and peripherals	Renovation	System under development	Total
	RM	RM	RM	RM	RM	RM	RM
Cost							
As of January 1, 2005	18,874,473	1,185,900	338,628	1,518,803	1,517,318	-	23,435,122
Additions	-	208,305	74,078	355,697	568,461	-	1,206,541
Disposals	-	(310,656)	(62,408)	-	-	-	(373,064)
Written off	-	(51,789)	-	(491,949)	(1,312,598)	-	(1,856,336)
As of December 31, 2005	18,874,473	1,031,760	350,298	1,382,551	773,181	-	22,412,263
As of January 1, 2006	18,874,473	1,031,760	350,298	1,382,551	773,181	-	22,412,263
Additions	-	435,299	99,823	248,755	264,147	132,000	1,180,024
Disposals	-	-	(66,928)	-	-		(66,928)
As of December 31, 2006	18,874,473	1,467,059	383,193	1,631,306	1,037,328	132,000	23,525,359

The Group and the Institute	Long term leasehold land and building RM	Furniture and fittings, audio visual and office equipment RM	Motor vehicles RM	Computers and peripherals RM	Renovation RM	System under development RM	Total RM
Accumulated Depreciation							
As of January 1, 2005	3,702,548	939,900	217,414	1,028,348	1,474,687	-	7,362,897
Charge for the year	377,489	88,023	56,082	241,835	127,170	-	890,599
Disposals	-	(266,792)	(62,407)	-	-	-	(329,199)
Written off	-	(49,870)	-	(491,823)	(1,290,397)	-	(1,832,090)
As of December 31, 2005	4,080,037	711,261	211,089	778,360	311,460	-	6,092,207
As of January 1, 2006	4,080,037	711,261	211,089	778,360	311,460	-	6,092,207
Charge for the year	377,490	111,768	74,752	240,702	152,281	-	956,993
Disposals	-	-	(66,926)	-	-	-	(66,926)
As of December 31, 2006	4,457,527	823,029	218,915	1,019,062	463,741	-	6,982,274
Net Book Value							
As of December 31, 2006	14,416,946	644,030	164,278	612,244	573,587	132,000	16,543,085
As of December 31, 2005	14,794,436	320,499	139,209	604,191	461,721	-	16,320,056

The long term leasehold land and building has been charged as a security for the Zero coupon bonds as disclosed in Note 22 to the financial statements.

11. INVESTMENT IN SUBSIDIARY COMPANY

	The Institute	
	2006 RM	2005 RM
Unquoted shares, at cost	200,002	200,002

The details of subsidiary company incorporated in Malaysia are as follows:-

Name of company	Effective equity interest		Principal activity
	2006 %	2005 %	
M.I.I. Academy Sdn. Bhd.	100	100	Dormant

The establishment of M.I.I. Academy Sdn. Bhd. is a requirement under Section 12 of Akta IPTS 1996.

12. FIXED DEPOSITS

	The Group		The Institute	
	2006 RM	2005 RM	2006 RM	2005 RM
Short term:				
Deposit placed with				
- licensed bank	12,821,472	9,067,829	12,594,858	8,848,124
- finance companies	-	5,369,772	-	5,369,772
	12,821,472	14,437,601	12,594,858	14,217,896
Long term:				
Deposit placed with				
- licensed bank	2,297,190	1,745,507	2,297,190	1,745,507
	15,118,662	16,183,108	14,892,048	15,963,403

The long term fixed deposit of the Group and of the Institute placed with a licensed bank amounting to RM2,297,190 (2005: RM1,745,507) is deposited for the purpose of redemption of the Zero coupon bonds as disclosed in Note 22 to the financial statements.

13. INVENTORIES

	The Group and the Institute	
	2006 RM	2005 RM
At Cost		
Bookshop books	746,487	1,025,781
Administration stationeries	29,033	30,636
Computer stationeries	14,090	12,555
	789,610	1,068,972
Allowance for obsolete inventories	(400,000)	(394,003)
	389,610	674,969

During the financial year, obsolete inventories amounting to RM194,003 (2005: RM227,589) were written off against allowance for obsolete inventories.

14. MARKETABLE SECURITIES

	The Group and the Institute	
	2006 RM	2005 RM
At Cost		
Quoted securities in Malaysia	1,469,504	1,469,504
Less: Allowance for diminution in value	(618,489)	(717,416)
	851,015	752,088
Quoted unit trust in Malaysia	250,000	250,000
Less: Allowance for diminution in value	(137,121)	(152,761)
	112,879	97,239
At Market Value		
Quoted securities	851,015	752,088
Unit trust	112,879	97,239
	963,894	849,327

15. TRADE RECEIVABLES

Trade receivables comprise amounts receivable from customers for academic and training courses conducted.

16. OTHER RECEIVABLES AND PREPAID EXPENSES

	The Group		The Institute	
	2006 RM	2005 RM	2006 RM	2005 RM
Other receivables	644,721	303,144	644,460	302,890
Refundable deposits	109,378	104,240	109,378	104,240
Prepaid expenses	147,364	108,301	147,364	108,301
	901,463	515,685	901,202	515,431

Other receivables, which comprise mainly expenses paid on behalf of the ASEAN Insurance Training and Research Institute, is unsecured and interest free.

17. AMOUNT DUE FROM SUBSIDIARY COMPANY

The advances given to subsidiary company are unsecured, interest free and have no fixed term of repayment.

18. BUMIPUTRA TRAINING FUND

	The Group and the Institute	
	2006 RM	2005 RM
At beginning of year	975	8,710
Subsidy provided	(2,125)	(9,485)
Payment of subsidies for Bumiputra Life Insurance Agents	1,375	1,750
At end of year	225	975

The Bumiputra Training Fund (“BTF”) was set up with the objective of assisting the development of the Bumiputra Life Insurance agents and staff in Malaysia.

The annual aggregate contribution of RM1 million is collected by Life Insurance Association of Malaysia (“LIAM”) from the various life insurance companies. Eligible Bumiputra life agents and staff would utilise this fund to subsidise the course fees for approved programmes conducted by the Institute. The basis of subsidy depends on the programme and it is determined and approved by LIAM.

The balance as of year end is due from LIAM based on actual amount advanced by the Institute net of funds received during the year.

19. ASEAN INSURANCE TRAINING FUND

	The Group and the Institute	
	2006 RM	2005 RM
At beginning of year	146,790	137,016
Fund received	-	20,774
Utilisation of fund	(198,677)	(11,000)
At end of year	(51,887)	146,790

The ASEAN Insurance Training Fund ("AITF") was set up with the objective to promote the development of insurance expertise in ASEAN. The total fund of RM6 million will be contributed equally from the government and private sectors.

The fund was established in 1997 with an initial funding of RM300,000 and the second instalment of the same amount has been received as to date. The objective of the fund is to develop the Institute into a regional training centre and to provide financial assistance through scholarships to ASEAN insurance personnel who wish to pursue insurance courses conducted by the Institute.

20. GENERAL RESERVES

General reserves consist of:

	The Group and the Institute	
	2006 RM	2005 RM
Building and renovation fund	157,037	157,037
Scholarship fund	85,646	85,646
Institute Insurans Malaysia (IIM) fund	122,171	122,171
General reserves	6,308,188	6,308,188
	6,673,042	6,673,042

General reserves arose mainly from contributions by insurance companies, brokers, agents and adjusters and the surplus arising on the disposal of a subsidiary in prior years.

21. DEFERRED TAX LIABILITIES

	The Group and the Institute	
	2006 RM	2005 RM
Balance at beginning of year	340,000	12,000
Transfer from income statements (Note 9)	500,000	328,000
Balance at end of year	840,000	340,000

	The Group and the Institute Deferred Tax Liabilities/(Assets)	
	2006 RM	2005 RM
Tax effects of:		
Taxable/(deductible) temporary differences arising from:		
Property, plant and equipment	3,723,000	3,555,000
Inventories	(112,000)	(110,000)
Marketable securities	-	(244,000)
Other receivables	30,000	23,000
Unabsorbed capital allowances	(2,801,000)	(2,884,000)
Deferred tax liabilities recognised	840,000	340,000

The unabsorbed capital allowances are subject to the agreement by the tax authorities.

22. ZERO COUPON BONDS – SECURED

The bonds are secured by way of a fixed charge over the building purchased and a floating charge over the assets of the Institute.

These bonds carry a 30 year maturity period which is subject to further extension or early redemption by the Institute.

Date of redemption of the bonds is December 1, 2022.

23. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The credit period granted to the Group and the Institute for trade purchases ranges from 30 days to 90 days (2005: 30 days to 90 days).

Other payables and accrued expenses consist of the following:

	The Group		The Institute	
	2006 RM	2005 RM	2006 RM	2005 RM
Deferred income	954,795	614,075	954,795	614,075
Other payables	426,574	991,082	426,574	991,082
Accrued expenses	1,854,728	1,760,370	1,853,428	1,759,370
	3,236,097	3,365,527	3,234,797	3,364,527

Included in other payables of the Group and of the Institute is RM112,968 (2005: RM396,398) representing funds received from insurance companies, broking companies and adjusting firms who did not fully utilise their companies' training fund on staff training in accordance with Bank Negara Malaysia Surat Pekeliling JPI: 39/1999.

Also included in other payables and accrued expenses of the Group and of the Institute is RM159,972 (2005: RM61,572) representing registration fees collected on behalf of the Malaysian Financial Planning Council ("MFPC"), an association in which a director of the Institute and key management personnel of the Institute form part of MFPC's council.

24. ASEAN INSURANCE TRAINING AND RESEARCH INSTITUTE

	The Group and the Institute	
	2006 RM	2005 RM
At beginning of year	179,952	94,726
Fund provided	-	189,726
Utilisation of fund	(103,726)	(104,500)
At end of year	76,226	179,952

The ASEAN Insurance Training and Research Institute ("AITRI") was set up with the objective to achieve excellence in insurance training and research to support sustained development of ASEAN insurance markets and to meet the escalating global market challenges.

The fund was provided by Give2Asia, a non profit organisation founded by The Asia Foundation with an approved grant amounting to USD100,000 which was fully received over two years beginning May 1, 2004 to support its programs.

25. CASH AND CASH EQUIVALENTS

	The Group		The Institute	
	2006 RM	2005 RM	2006 RM	2005 RM
Cash and bank balances	967,623	322,929	956,381	311,687
Fixed deposits (Note 12)	12,821,472	14,437,601	12,594,858	14,217,896
	13,789,095	14,760,530	13,551,239	14,529,583

26. CAPITAL COMMITMENT

As of the end of the financial year, the Group and the Institute have the following capital expenditure in respect of property, plant and equipment:

	The Group and the Institute	
	2006 RM	2005 RM
Approved but not contracted for	-	310,000

27. RENTAL COMMITMENT

As of the end of the financial year, the Group and the Institute have the following rental commitment in respect of office equipment:

	Future Minimum Lease Payments	
	2006 RM	2005 RM
Financial years ending December 31,		
2006	-	126,840
2007	65,580	59,340
2008	43,080	36,840
2009	43,080	36,840
2010	43,080	36,840
2011 and onwards	43,080	-
	237,900	296,700

28. FINANCIAL INSTRUMENTS

Credit risk

The maximum credit risk associated with recognised financial assets is the carrying amount shown in the balance sheet.

The Group and the Institute has no significant concentration of credit risk with any single counterparty.

Interest rate risk

The risk that financial instruments' values will fluctuate as a result of change in interest rates, and the effective weighted average interest rates on class of financial asset is as follows:

	Less than 1 year	1 to 5 years	Total	Effective interest rate during the year
	RM	RM	RM	
The Group				
December 31, 2006				
Financial assets				
Fixed deposits	12,821,472	2,297,190	15,118,662	2.50% - 3.90%
December 31, 2005				
Financial assets				
Fixed deposits	14,437,601	1,745,507	16,183,108	2.50% - 3.70%

	Less than 1 year	1 to 5 years	Total	Effective interest rate during the year
	RM	RM	RM	
The Institute				
December 31, 2006				
Financial assets				
Fixed deposits	12,594,858	2,297,190	14,892,048	2.50% - 3.90%
December 31, 2005				
Financial assets				
Fixed deposits	14,217,896	1,745,507	15,963,403	2.50% - 3.70%

Fair values

The carrying amounts of all financial assets and liabilities of the Group and of the Institute at the balance sheet date approximate their fair values.

The fair values of the marketable securities of the Group and of the Institute at the balance sheet date approximates their market values as disclosed in Note 14.

THE MALAYSIAN INSURANCE INSTITUTE
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

The directors of **THE MALAYSIAN INSURANCE INSTITUTE** state that, in their opinion, the accompanying balance sheets and the related statements of income, cash flows and changes in equity, are drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable Malaysian Accounting Standards Board approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Institute as of December 31, 2006 and of the results of their businesses and the cash flows of the Group and of the Institute for the year ended on that date.

Signed in accordance with a resolution of the Directors,

Signed	*Signed*
TAN SRI DATO' SRI DR ZETI AKHTAR AZIZ	**FOONG SOO HAH**
(CHAIRMAN)	(DIRECTOR)

Kuala Lumpur,
May 16, 2007

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **KHADIJAH ABDULLAH,** the Officer primarily responsible for the financial management of **THE MALAYSIAN INSURANCE INSTITUTE,** do solemnly and sincerely declare that the accompanying balance sheets and the related statements of income, cash flows and changes in equity, are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Signed

KHADIJAH ABDULLAH

Subscribed and solemnly declared by the abovenamed **KHADIJAH ABDULLAH** at **KUALA LUMPUR** this 16th day of May, 2007

Before me,

Signed

Attested

COMMISSIONER FOR OATHS

Proxy Form

THE MALAYSIAN INSURANCE INSTITUTE
29th ANNUAL GENERAL MEETING

I,____ Membership No.________________________of
(name)

____,
(address)

an individual Member of The Malaysian Insurance Institute, hereby appoint _____________________________,
(name)

an individual Member, Membership No.________________________of________________________________

____
(address)

or failing him/her,____, also an individual member, membership
(name)

No.____of __________________________________

____
(address)

to attend and vote on my behalf at the 29th Annual General Meeting of the Institute to be held on Monday, 18th June 2007, at 2.30 p.m. and at any adjournment thereof. My proxy nominee is to vote as indicated below: (Please indicate with an "x" in the spaces provided on how you wish your vote to be cast.)

No	Ordinary resolution	For	Against
1	To receive the Audited Financial Statements of the Institute for the year ended 31st December 2006 together with the Directors' and Auditors' Report.		
2	To re-appoint Messrs Deloitte KassimChan as the auditors of the Institute to hold office until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.		

Dated this __________________day of _________________ 2007

____
Signature of individual member

Note:

1. *A members entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead.*
2. *A proxy shall be an individual member of the Institute. No proxy shall be a proxy for more than two (2) individual members.*
3. *The instrument appointing a proxy under which it is signed thereof shall be deposited at the Registered Office of the Institute, No. 5, Jalan Sri Semantan Satu, Damansara Heights, 50490 Kuala Lumpur, not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting.*

Accredited Representative Form

THE MALAYSIAN INSURANCE INSTITUTE
29th ANNUAL GENERAL MEETING

I,____ Membership No.______________________of
(name)

____,
(address)

an institutional Member of The Malaysian Insurance Institute, hereby appoint ____________________________,
(name)

an individual Member, Membership No.________________________of_________________________________

____
(address)

or failing him/her,____, also an individual member, membership
(name)

No.____of ____________________________________

____
(address)

to attend and vote on my behalf at the 29th Annual General Meeting of the Institute to be held on Monday, 18th June 2007, at 2.30 p.m. and at any adjournment thereof. My proxy nominee is to vote as indicated below: (Please indicate with an "x" in the spaces provided on how you wish your vote to be cast.)

No	Ordinary resolution	For	Against
1	To receive the Audited Financial Statements of the Institute for the year ended 31st December 2006 together with the Directors' and Auditors' Report.		
2	To re-appoint Messrs Deloitte KassimChan as the auditors of the Institute to hold office until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.		

In witness thereof the Common Seal of the Company is affixed on this_______________day of___________ 2007

Seal

____

Signature (s) / Common seal of Institutional member

Note:

1. *An accredited representative is entitled to appoint an individual member to attend and vote in its stead.*
2. *The instrument appointing an accredited representative shall be in writing and under the seal of the Institutional member.*
3. *The instrument appointing an accredited representative and the power of attorney or other authority (if any) under which it is signed or notarially certified thereof shall be deposited at the Registered Office of the Institute, No. 5, Jalan Sri Semantan Satu, Damansara Heights, 50490 Kuala Lumpur, not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting.*