

**Company No.: 197701004772 (35445-H)**

**THE COMPANIES ACT, 2016  
MALAYSIA**

---

**COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL**

---

**Constitution**

**of**

**THE MALAYSIAN INSURANCE INSTITUTE**

---

**Incorporated on the 8<sup>th</sup> day of November, 1977**

---

**[This constitution was adopted via a Special Resolution passed on 22 September 2020]**

**THE COMPANIES ACT, 2016**  
**COMPANY LIMITED BY GUARANTEE AND**  
**NOT HAVING A SHARE CAPITAL**  
**CONSTITUTION**  
**OF**  
**THE MALAYSIAN INSURANCE INSTITUTE**

**PRELIMINARY**

- |     |   |                      |
|-----|---|----------------------|
| 1.1 | The name of the Company is The Malaysian Insurance Institute (hereinafter called “ <b>The Institute</b> ”). | Name                 |
| 1.2 | The Institute is incorporated under the Companies Act, limited by guarantee.                                | Limited by Guarantee |
| 1.3 | The liability of the Members is limited.  | Liability of Members |
| 1.4 | The registered office of the Institute will be situated in Malaysia.  | Registered Office    |

**PART A**

- |    |  |                |
|----|--|----------------|
| 2. | In this Constitution,  | Interpretation |
|    | (a) the marginal notes are for convenience of reference only and are not intended to effect the construction of this Constitution; and   |                |
|    | (b) unless the subject or context otherwise requires, the words standing in the first column of the table next hereinafter shall bear the meanings set opposite to them respectively in the second column thereof: |                |

The Act	means the Companies Act 2016 or any statutory modification, amendment or reenactment thereof.
Affiliate	Any individual admitted as an Affiliate pursuant to the Constitution who unless otherwise stated is not entitled to the privileges of a Member.
Article(s)	Article of the Constitution and rules and regulations of the Institute from time to time in force.
The Board	The Board of Directors for the time being of the Institute.
The Constitution	The Constitution of the Institute.
Director	A member of the Board of Directors.
Individual Member	Includes, unless otherwise stated, Ordinary Member, Certificate Member, Associate Member, Senior Associate Member or Fellow Member but does not include Honorary Fellow.

The Institute	The Malaysian Insurance Institute.
Member	Includes, unless otherwise stated, Ordinary Member, Certificate Member, Associate Member, Senior Associate Member or Fellow Member and Institutional Member.
Month	Calendar month.
The Office	The Registered Office of the Institute.
Prescribed Examinations	The examinations prescribed by the Board for candidates for admission into the different classes of membership of the Institute or for a change in status pursuant to the Constitution.
The Register	The register of Affiliates and Members of the Institute.
The Seal	The Common Seal of the Institute.
Secretary	any person who is a holder of a secretary licence or a member of a prescribed body appointed to perform the duties of the secretary of the Institute.
In writing	Written, printed, lithographed or photographed and other modes of representing or reproducing words in a visible form, partly one and/or partly another.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender and neutral gender and vice versa.

Words importing persons shall include individuals, corporations, firms, registered associations, societies, commercial organizations and nominees of such organizations.

Unless the context otherwise requires, words or expressions contained in this Constitution shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which this Constitution becomes binding on the Institute.

### **Objects, Powers and Nature of the Institute**

3.1 The objects for which the Institute is established are:-

Objects

- (a) To provide and maintain a central organisation for the promotion of efficiency, progress and general development among persons engaged or employed in an insurance related field or in the financial services sector with a view to raising the level of professionalism and securing and maintaining the confidence of the public and employers by reliable tests and assurance of the competence and trustworthiness of persons engaged or employed in or in any way connected with the insurance industry.

- (b) To promote, encourage and advance the science of management and operation of insurance institutions and to foster a better understanding of insurance and related matters.
  - (c) To undertake research in the field of insurance, to organise and conduct courses, seminars, conferences, workshops, examinations and award certificates, professional qualifications, diplomas, scholarships and prizes relating to insurance and the management of insurance institutions.
- 3.2 The Institute shall have full capacity and powers to carry on or undertake any business or activity as per provision in Section 21 of the Act. Unlimited capacity
- 3.3 The Institute is established for the purposes expressed in the Constitution. Object
- 3.4 The powers of the Institute under the objects clause shall be limited to the powers set out below-
- (a) To provide and maintain a central organisation for the promotion of efficiency, progress and general development among persons engaged or employed in an insurance related field or in the financial services sector with a view to raising the level of professionalism and securing and maintaining the confidence of the public and employers by reliable tests and assurance of the competence and trustworthiness of persons engaged or employed in or in any way connected with the insurance industry.
  - (b) To promote, encourage and advance the science of management and operation of insurance institutions and to foster a better understanding of insurance and related matters.
  - (c) To promote and develop the study of the laws and practices related to insurance.
  - (d) To organise and conduct courses, seminars, conferences and workshops relating to insurance and the management of insurance institutions.
  - (e) To conduct examinations and award certificates, professional qualifications, diplomas, scholarships and prizes.
  - (f) To undertake research in the fields of insurance and other related subjects.
  - (g) To collect, publish and distribute results of researches and studies and such other information related to the objects of the Institute.
  - (h) To provide facilities as may be deemed necessary to the objects of the Institute, including the establishment and operation of a training and education centre, insurance reference library and headquarters office, training subcentres, local centres, branch and regional offices.
  - (i) To make regulations and to collect fees from any person for activities conducted or organised by the Institute.
  - (j) To establish and operate trust funds for the purpose of promoting the development of the insurance industry.
  - (k) To provide advisory and technical services pertaining to the training of personnel in an insurance related field or in the financial services sector .
  - (l) To formulate an appropriate code of conduct and to encourage the highest

level of professionalism among members of the insurance community.

- (m) To affiliate, as the Institute thinks fit, with any body or organization whether in Malaysia or abroad whose interests and/or objects are similar, related or complementary to those of the Institute.
- (n) To take such steps by personal or written appeals, public meetings or otherwise as may from time to time be deemed expedient for the purpose of procuring contribution to the funds of the Institute in the form of donations, annual subscriptions or otherwise.
- (o) To accept gifts or bequests whether moveable or pecuniary and whether or not subject to any trust from any person, body or organisation and to utilise such gifts or bequests in connection with the objects of the Institute.
- (p) To purchase, take on lease or otherwise acquire for the purpose of the Institute and to hold any estates, lands, buildings, easements or other interests in immovable property, and any movable property or interests in movable property and to sell and let on lease or otherwise dispose of or grant rights on any movable or immovable property belonging to the Institute, PROVIDED that the Institute shall not acquire or hold any land without the licence of the Minister charged with the responsibility for companies under the Act in Malaysia.
- (q) To invest in Malaysia and elsewhere any monies of the Institute, not immediately required for any of its objects, in such manner as may from time to time be determined.
- (r) To borrow and raise money for the purposes of the Institute and to secure the repayment thereof in such manner as the Institute may think fit and in particular to mortgage or charge the undertaking and all or any of the Institute's property (both present and future) and to purchase, redeem, or pay off any of such securities.
- (s) To appoint and remunerate agents, persons and representatives both in Malaysia and overseas and to retain their services for such duration as may be considered necessary for the purposes of the Institute.
- (t) To work in close co-operation with the authorities in Malaysia and to enter into arrangements with the Government, State or Federal, or any authorities and to obtain from any such Government or authorities any rights, concessions and privileges that may be conducive to the Institute's objects or any of them.
- (u) To provide or subscribe to a superannuation fund or such other pension or other funds and to make or establish such arrangements or schemes for the benefit of employees of the Institute or otherwise to assist any such employees, their widows, children and dependants.
- (v) To provide and organise social, sporting and recreational activities for the benefit of its Members.
- (w) To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment, and administration and management of the Institute and to remunerate any person or persons for services rendered thereof in the promotion and establishment of the Institution, cash or in any other manner allowed by law.
- (x) To do all such other lawful things as are incidental or conducive to the attainment of the above objects, or any of them.

**PROVIDED ALWAYS AND IT IS HEREBY DECLARED THAT:**

Notwithstanding any objects to the contrary, the Institute is a non-profit and educational organization; and The Institute shall not financially support any trade union or endeavour to impose on or procure to be observed by its Members or others, any object which would make it a trade union.

- |     |  |  |
|-----|--|--|
| 3.5 | The Institute shall not support with its funds any political organisation or society or endeavour to impose on or procure to be observed by its members or others any regulations, restrictions or conditions which, if any were included in the objects of the Institute would make it a Trade Union within the meaning of the Trade Union Act 1959.  | No financial support on political matters.         |
| 3.6 | The profits, income and property of the Institute howsoever derived shall be applied solely towards the promotion of the objects of the Institute as set forth in this Constitution and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Institute.  | Non-distribution of income and property to Members |
|     | Provided that nothing herein shall prevent the payment in good faith of reasonable and proper remuneration to any officer, agent or servant of the Institute or to any Member of the Institute in return for any services actually rendered to the Institute nor prevent the payment of the interest at a rate to be determined by the Institute on money lent or reasonable and proper rent for premises demised or let by any Member of the Institute.   | Payment of services rendered                       |
|     | No member of the Board of Directors shall be appointed to any salaried office of the Institute or any office of the Institute paid by fees or otherwise and that no remuneration or other benefit in money or money's worth shall be given by the Institute to any member of the Board of Directors except in repayment of out-of-pocket expenses, travelling and subsistence allowances and interests at the rate determined by the Board on money lent or reasonable and proper rent for premises demised or let to the Institute. | Non appointment of Directors to salaried office    |
|     | Provided that the provision as aforesaid shall not apply to any payment to any company of which a member of the Board of Directors may be a member and such member shall not be bound to account for any share of profits he may receive in respect of such payment.   |  |
|     | PROVIDED that nothing herein shall prevent the payment, in good faith, of:-  |  |
|     | (a) allowance or remuneration to any officer or servant of the Institute in return for any professional services rendered to the Institute;  |  |
|     | (b) payment of interest at the current bank rate on any loan advanced by members of the Institute to promote the objects thereof; and  |  |
|     | (c) reasonable and proper rent for premises demised or let by any member of the Institute.   |  |
| 3.7 | The Institute is not allowed to solicit donation from the public without the approval of the Registrar of Companies.   | No soliciting of donation                          |

## MEMBERS

- |    |   |                               |
|----|---|-------------------------------|
| 4. | The number of Members which the Institute proposes to register is unlimited.  | Unlimited Members             |
| 5. | The subscribers to the Constitution and such other persons as the Board shall admit to membership in accordance with the Constitution shall be Members of the Institute and shall be entered in the Register of Members accordingly and he shall be a member thereof.   | Admission to Membership       |
| 6. | There shall be the following classes of Members, namely, Ordinary Members, Associate Members, Fellow Members, Senior Associate Members, Certificate Members and Institutional Members.  | Classes and Status of Members |
|    | a) For admission as a Member other than an Institutional Member of the Institute or for a change in his class of membership, every applicant shall, in any case, where the Constitution so require, pass the Prescribed Examinations (unless exempted therefrom as hereinafter provided); comply with the requisites of the Constitution for membership or the class of membership; comply with such other conditions; and possess such other qualifications as the Board may prescribe either generally or in any particular case. | Conditions of Membership      |
|    | (b) Every applicant for affiliation or membership shall, apply in the prescribed form and pay prescribed fees and subscription as the Board may from time to time determine and shall agree that if admitted as an Affiliate or a Member he will be bound by the provisions of the Constitution.  | Conditions of Application     |
|    | (c) The Board may at its discretion and without being required to assign any reason therefore refuse to accept any application for admission as an Affiliate or to membership of the Institute or for a change in the status of a Member or for a change in his listing as a Member.  | Power to refuse               |

## INSTITUTIONAL MEMBERS

- |    |   |   |
|----|---|---|
| 7. | Institutional membership shall be open to Bank Negara Malaysia and all insurance institutions as registered or licensed under the Financial Services Act 2013 or regulated by the Labuan Financial Service Authority. It may also be open to other institutions at the discretion of the Board. | Qualifications of Institutional Members |
|----|---|---|

## AFFILIATES

- |    |  |                              |
|----|--|------------------------------|
| 8. | Affiliation shall be open to all individuals engaged or employed in an insurance related field or in the financial services sector or such other person authorised by the Board. | Qualifications of Affiliates |
|----|--|------------------------------|

Members who cease to be so engaged or employed may retain their membership at the Board's discretion or as provided for by the Constitution.

## ORDINARY MEMBERS

- |    |  |                   |
|----|--|-------------------|
| 9. | Ordinary membership shall be open to such persons who have the necessary | Qualifications of |
|----|--|-------------------|

qualifications for Affiliation and in addition hold such other recognised professional or other degrees, viz, Lawyers, Engineers, Accountants etc and approved by the Board or such other person authorised by the Board.

Ordinary  
Members

#### **CERTIFICATE MEMBERS**

10. Certificate membership shall be open to such persons who have the necessary qualifications for Affiliation and in addition have passed the Prescribed Examinations (unless the Board shall have granted exemption from such examinations in accordance with Article 19) and approved by the Board or such other person authorised by the Board.

Qualifications of  
Certificate  
Members

#### **ASSOCIATE MEMBERS**

11. Associate membership shall be open to such persons who have the necessary qualifications for Affiliation and in addition have passed the Prescribed Examinations (unless the Board shall have granted exemption from such examinations in accordance with Article 19) and approved by the Board or such other person authorised by the Board.

Qualifications of  
Associate  
Members

#### **SENIOR ASSOCIATE MEMBERS**

- 11A. Senior Associate membership shall be open to such persons who have the necessary qualifications for Affiliation and in addition have passed the Prescribed Examinations (unless the Board shall have granted exemption from such examinations in accordance with Article 19) and approved by the Board or such other person authorised by the Board.

Qualifications of  
Senior Associate  
Members

#### **FELLOW MEMBERS**

- 11B. Fellow membership shall be open to such persons who have the necessary qualifications for Affiliation and in addition have passed the Prescribed Examinations (unless the Board shall have granted exemption from such examinations in accordance with the Article 19) and have been engaged or employed in an insurance related field or in the financial service sector for not less than four (4) years and approved by the Board or such other person authorized by the Board.

Qualification of  
Fellow Members

#### **HONORARY FELLOWS**

12. Any person who has rendered such distinct services to the Institute as would in the opinion of the Members entitle him to such distinction may be elected an Honorary Fellow.

Admission of  
Honorary Fellow

The award of Honorary Fellow is delegated for consideration to a Committee/Council appointed by the Board. Following consideration of the designated Committee/Council, any recommendations are then made to the Board which makes the final decision.

Honorary Fellows are not Members but shall be entitled to the ordinary privileges of membership except the right to vote or hold any office or sit on the Board. They shall not be required to contribute to the funds of the Institute.

Honorary Fellows shall be entitled to use the designatory letters "Hon. FMII" after their names.



- 12A Any prominent person of acknowledged eminence, in or outside Malaysia, such as Head of State, Ministers, Governors of Central Banks or distinguished academicians, who has made outstanding contributions to the development of the insurance or takaful industry, knowledge or professionalism, as would in the opinion of the Board entitle him to such distinction may be elected as Distinguished Honorary Fellow

Admission of Distinguished Honorary Fellow

The award of Distinguished Honorary Fellow is delegated for consideration to a Committee/Council appointed by the Board. Following consideration of the designated Committee/Council, any recommendations are then made to the Board which makes the final decision.

Distinguished Honorary Fellows are not Members but shall be entitled to the ordinary privileges of membership except the right to vote or hold any office or sit on the Board. They shall not be required to contribute to the funds of the Institute.

Distinguished Honorary Fellows shall be entitled to use the designatory letters "D. Hon. FMII" after their names.

#### **CONDITIONS OF AFFILIATION, MEMBERSHIP AND HONORARY FELLOWSHIP**

13. The privileges of a Member and that of an Affiliate, Honorary Fellow and Distinguished Honorary Fellow shall not be transferable and shall cease on his death (or in the case of a corporation or association on its liquidation or deregistration respectively).
14. Every Member and Affiliate shall be bound to further to the best of his ability the objects and interests of the Institute.
15. (1) Any Member who fails to observe any of the Constitution or pronouncements of the Board under the Constitution may, upon the recommendations of the Disciplinary Committee be expelled from the Institute by resolution of a majority of not less than two-thirds (2/3) of the Directors present and voting at a meeting of the Board of Directors. A Member expelled from the Institute by such meeting may, within fourteen (14) days next after notice of his expulsion, appeal from the decision of the Board to a special General Meeting of the Institute which shall thereupon be convened by the Board within twenty- eight (28) days of the receipt of Notice of such appeal.
- (2) The status of an Affiliate, an Honorary Fellow or a Distinguished Honorary Fellow who fails to observe any of the Constitution or pronouncements of the Board under the Article(s) in relation to Prohibition of Certain Acts and Conducts may, upon the recommendations of the Disciplinary Committee be withdrawn by a resolution of not less than two-thirds (2/3) of the Honorary Directors present and voting at a meeting of the Board of Directors. Such Affiliate, Honorary Fellow or Distinguished Honorary Fellow may within fourteen (14) days next after notice of the withdrawal of an Affiliate, Honorary Fellow or Distinguished Honorary Fellow appeal from the decision of the Board to a special General Meeting of the Institute which shall be convened by the Board within twenty-eight (28) days of the receipt of notice of such appeal.
16. A majority of not less than two-thirds (2/3) of Members present and voting at a Meeting convened for the purposes of either under Article 15(1) in relation to "Expulsion of member" or Article 15(2) in relation to "Withdrawal of status of Affiliation, Honorary Fellow and Distinguished Honorary Fellow" shall have the

Non-transferability of Membership

Duty of Member and Affiliate

Expulsion of member

Withdrawal of status of Affiliation for Honorary Fellow and Distinguished Honorary Fellow

Special Meeting of Members

power to annul the expulsion of the Member or to revoke the decision to withdraw the status of the Affiliate, Honorary Fellow or Distinguished Honorary Fellow concern, as the case may be, upon such terms and conditions as the General Meeting may deem fit to impose.

17. (1) A Member so expelled shall cease to be a Member of the Institute.
- (2) A person whose status of an Affiliate, Honorary Fellow or Distinguished Honorary Fellow has been so withdrawn shall cease to be an Affiliate, Honorary Fellow or Distinguished Honorary Fellow of the Institute, as the case may be.

### EXAMINATIONS

18. The Board shall have power to make, alter, amend or revoke from time to time rules providing for all matters relating but not limited to examinations, including the subjects comprised in such examinations and the fees payable by candidates. Power of Board on examinations
19. The Board may exempt any person from the whole or any part of the Prescribed Examinations on the grounds that he has passed examinations which in the opinion of the Board are of equivalent standard to the Prescribed Examinations. Exemptions from Examinations
- Under exceptional circumstances, the Board may exempt any person from the whole or any part of the Prescribed Examinations on the grounds that he has acquired extensive work experience in the field of insurance and/or takaful related field or in the financial services sector and has attained senior leadership position in a recognised organisation.
20. A Committee/Council of Examiners shall from time to time be appointed by the Board and hold office for the purpose of examining candidates of the Institute and shall consist of Associate Members and Fellow Members of the Institute PROVIDED ALWAYS THAT no member of the Committee/Council of Examiners shall sit for the Prescribed Examinations so long as he remains a member of the said Committee/Council. Appointment of Committee/Council of Examiners
21. The Board shall have power at any time:- Changes in and fees of Committee/Council of Examiners
- (a) to remove any member of a Committee/Council of Examiners and appoint another in his stead;
- (b) to fill any vacancy in a Committee/Council of Examiners otherwise howsoever occurring;
- (c) to increase or reduce the number of members of a Committee/Council of Examiners; and
- (d) to fix and pay fees payable to members of a Committee/Council of Examiners.

### FEES AND SUBSCRIPTION

22. The Board:- Power to prescribe Fees and Subscription
- (a) shall prescribe the fees and subscriptions payable by applicants for admission as an Affiliate or to each class of membership of the Institute or for a change in status;
- (b) shall prescribe the annual fees or subscription payable by the Affiliates or

the several classes of Members of the Institute; and

- (c) may raise any special levy from Affiliates or Members for particular purposes in furtherance of the objects of the Institute with the consent of a General Meeting; and
  - (d) shall have power, in cases of ill-health, misfortune, advanced age or on other ground which it shall think sufficient, to waive all or any part of the subscription or fees, or any arrears thereof, due from any Member. The Board may also fix rates at which any subscriptions or fees may be compounded.
23. Subscription and other fees due and payable shall be paid within four weeks of approval of admission as an Affiliate or to membership or change in status. Failure to do so may result in withdrawal of such approval. Period of payment of Admission fees
24. Annual affiliation fees or subscriptions shall be payable in advance on admission and thereafter annually before 31 December of each year. Period of payment of annual fee
25. Every person who becomes entitled to admission as an Affiliate or a Member shall, before his name is entered in the Register (and in the case of an admission as a member, before he becomes entitled to privileges of membership), pay his first annual fee or subscription according to the status in which such person is entitled to admission and shall, so long as he continues to be an Affiliate or a Member, pay the annual fee or subscription according to his status for the time being. Every Affiliate or Member granted a change in status shall thereupon pay such additional fee or subscription for the year then current as may be prescribed. Registration as an Affiliate or a Member

**CERTIFICATES**

26. A Certificate of Recognition in the prescribed form shall be issued to each Honorary Fellow and Distinguished Honorary Fellow. Certificate of Recognition
27. Every Certificate of Recognition shall be under the Seal of the Institute and shall be signed by the Chairman of the Board or in his absence, the Deputy Chairman and by a member of the Board and countersigned by the General Manager of the Institute. Notwithstanding the provisions of the Constitution, the Seal of the Institute may be affixed to a Certificate of membership and Certificate of Recognition without the authority of the Board first had and obtained. Use of Seal
28. Every Certificate issued or made by the Institute shall, notwithstanding the payment of any fees, and subscription remain the property of the Institute and shall be returned by the recipient on demand thereof by the Institute and if any person neglects or refuses to return or deliver up any such certificate on such demand, legal proceedings may be taken by the Institute for the recovery thereof. Return of Certificate
29. No Member shall, without the consent in writing of the Institute first had and obtained, make or cause to be made by any means whatever any replica of any Certificate of the Institute and every such replica shall become and always remain the property of the Institute. Copies
30. If any certificate shall be defaced, worn out, destroyed, lost or stolen, it may be replaced on such evidence being produced to the satisfaction of the Institute and on payment of a fee and on such terms as the Institute may from time to time require. Replacement of Certificate

**DESIGNATIONS**

- |     |  |                       |
|-----|--|-----------------------|
| 31. | Any Member of the Institute, so long as he remains a Member, may use after his name:   | Designation of Member |
|     | (a) in the case of a Fellow Member, the words Fellow of the Malaysian Insurance Institute or the letters FMII;                       |                       |
|     | (b) in the case of a Senior Associate Member, the words Senior Associate of the Malaysian Insurance Institute or the letters SnrAMII |                       |
|     | (c) in the case of an Associate Member, the words Associate of the Malaysian Insurance Institute or the letters AMII; and            |                       |
|     | (d) in the case of a Certificate Member, the words Certificate of the Malaysian Insurance Institute or the letters, CertMII.         |                       |

#### **PROHIBITIONS OF CERTAIN ACTS AND CONDUCTS**

- |     |   |   |
|-----|---|---|
| 32. | The Board may make rules and issue pronouncements for the inculcation of sound insurance practice and the promotion of the interests of the profession of Insurance and may prohibit such acts and regulate the conduct of Affiliates and Members in that regard as it thinks fit and it may impose penalties (including forfeiture of that membership) on those Affiliates and Members who commit a breach thereof or who do not observe the provisions of any such rule of pronouncement. | Regulation of Conduct of Members and Affiliates |
|-----|---|---|

#### **CONTINUATION OF AFFILIATION AND MEMBERSHIP**

- |     |  |                      |
|-----|--|----------------------|
| 33. | An Affiliate or a Member (other than an Associate or Fellow Member) who no longer has an occupation which qualifies him for affiliation or membership may, on application, continue his affiliation or membership at the discretion of the Board or such person authorized by the Board. | Change of Occupation |
|-----|--|----------------------|

#### **CESSATION OF MEMBERSHIP**

- |     |  |                                     |
|-----|--|-------------------------------------|
| 34. | Any Affiliate desirous of ceasing to be affiliated with the Institute or any Member desirous of resigning as a Member shall so notify the Institute in writing and in the case of a Member, also return his Certificate of membership of the Institute to the Institute. Notwithstanding such written notification, the Affiliate or Member concerned shall nevertheless remain liable to the Institute for all fees (if any) and other dues then due and owing by him. He shall not nor shall his representative have any interest in or claim against the Institute or the funds or property of the Institute. | Resignation of Member and Affiliate |
| 35. | (1) Subject to the Article 16, the Board may suspend an Affiliate or a Member for such period as the Board shall determine, may declare his affiliation or membership forfeited, may admonish, censure and/or fine an Affiliate or a Member if:  | Suspension or forfeiture            |
|     | (a) in the opinion of the Board, he has been guilty of any breach or failure to observe the provisions of the Constitution and pronouncements of the Board under Article 32 in relation to "Prohibitions Of Certain Acts And Conducts";  | Breach of rules                     |
|     | (b) in the opinion of the Board, he has been guilty of dishonourable practices or conduct derogatory to his profession or conduct which is   | Dishonourable Conduct               |

not in the best interests of the Institute, Affiliates or Members of the Institute;

- |     |   |                                |
|-----|---|--------------------------------|
| (c) | in the opinion of the Board, his admission was obtained by improper means;  | Admission by Improper Means    |
| (d) | he has ceased to hold the necessary qualifications for Affiliation or membership prescribed by the Constitution or his qualifications have been withdrawn for any reasons whatsoever;   | Ceasing to hold Qualifications |
| (e) | he has become bankrupt or insolvent;  | Bankruptcy                     |
| (f) | he is declared a lunatic or becomes of unsound mind; and/or   | Unsound Mind                   |
| (g) | he is convicted of a criminal offence involving fraud, dishonesty or any other offence punishable on conviction with imprisonment for three months or more or fine exceeding RM2500/- or both.  | Criminal Offence               |
|     | And in default of payment by an Affiliate or a Member of any fine and/or any other sum of money ordered by the Board to be paid to the Institute or failure to comply with any order or directive of the Board, the Board may suspend or declare his affiliation or membership forfeited. | Default in payment             |
| (2) | During the period of suspension of an Affiliation or a Member, he shall be deemed not to be an Affiliate or a Member of the Institute but upon the expiration of such period his rights and privileges shall be revived.  | Suspension                     |
| (3) | An Affiliation or a Member whose affiliation or membership has been declared forfeited shall cease to be an Affiliate or a Member and his name shall be removed from the Register.  | Forfeiture                     |
| (4) | A Member who has resigned or whose membership has been forfeited shall deliver up his Certificate of membership to the Institute.   | Return of Certificates         |

**DISCIPLINARY COMMITTEE**

- |     |   |   |
|-----|---|---|
| 36. | The Board may appoint a Committee to be called the Disciplinary Committee and may delegate to such Committee all or any of the powers conferred on it by Article 32 and subject to Article 15 and notwithstanding Article 37, its powers of suspension, admonishment, censure and/or fine under Article 35 or the Constitution.   | Disciplinary Committee                                      |
| 37. | (1) The powers conferred on the Board by Article 35 shall not be exercised until a hearing of the Disciplinary Committee has been held for the purpose of considering such matter of which hearing the Affiliate or a Member has been given not less than fourteen (14) days' previous notice in writing specifying the matter to be considered; the opportunity of being heard by himself, his solicitor or counsel or by some other Affiliate or Member on his behalf; and of presenting such evidence as he may desire and until the Disciplinary Committee has submitted a report on the matter in question to the Board and the Board has adopted such report. | Hearing to consider the conduct of an Affiliate or a Member |
|     | (2) The proceedings at every such hearing shall be conducted in such manner as the Board may from time to time prescribe.   | Procedure at Hearing  |
|     | (3) The Board or its Disciplinary Committee may itself engage a solicitor or counsel to assist it at such hearing.  | Board may engage Solicitor or Counsel                       |

- |     |  |   |
|-----|--|---|
| (4) | The Board or its Disciplinary Committee shall not be under any obligation to disclose to the Affiliate or Member concerned or any other Affiliate or Member the source of any information giving rise to such proceedings. | Non-disclosure of Source of Information |
|-----|--|---|

**FORFEITURE OF MEMBERSHIP**

- |     |   |   |
|-----|---|---|
| 38. | Public notice of any suspension or forfeiture of affiliation or membership or any censure or admonishment of an Affiliate or a Member or any fine imposed upon an Affiliate or a Member may be published in such manner as the Board shall deem fit and the Certificate of membership forfeiture of the Institute of the Member so suspended or expelled shall, in either case be delivered to the Institute for retention during his suspension or for cancellation.   | Public notice of suspension or forfeiture of Affiliation or Membership                                |
| 39. | <p>If any fees, subscription or other approved dues are overdue for one month from any Affiliate or Member, notice of such fact shall be sent.</p> <p>Any Affiliate or member who has failed to pay his subscription within three months of it falling due may be excluded from membership, unless the Board determines otherwise, and if excluded shall cease to have any of the rights or privileges of membership. Such Affiliate or Member shall nevertheless remain liable to the Institute for the amount due unless the Board otherwise directs.</p> <p>However, the provisions of this Article may be waived or the period for payment of arrears may be extended at the discretion of the Board.</p> | <p>Forfeiture of Affiliation or Membership or non-payment of subscriptions or other approved dues</p> |
| 40. | Whenever any person ceases to be an Affiliate or a Member, his name shall be removed from the Register.   | Effect of Cessation of Membership   |

**REINSTATEMENT OF MEMBERSHIP**

- |     |  |                             |
|-----|--|-----------------------------|
| 41. | A person other than an Affiliate whose affiliation has been forfeited or an expelled Member whose name has been removed from the Register under the provisions of Article 35(3) and 39, may apply at any time for reinstatement and such person may be reinstated upon such terms and conditions and upon giving such information and explanation as the Board may deem fit but the Board shall not be compelled to reinstate such person or assign any reason therefor. | Reinstatement of Membership |
|-----|--|-----------------------------|

**REGISTER OF MEMBERSHIP**

- |     |  |  |
|-----|--|--|
| 42. | (1) One or more (as the Institute shall deem fit) register or registers of Affiliates and Members (hereinafter referred to as the "Register") shall be kept by the Institute.  | Register of Affiliates and Members                     |
|     | (2) The Register shall set out the status of each Affiliate or Member and shall contain such further particulars as may from time to time be prescribed by the Board.  | Register to set out status of Affiliate or Member      |
|     | (3) Every Affiliate and Member shall furnish the Institute with all required information to enable it to compile a record of the qualifications of Affiliates and Members in accordance with the Constitution.               | Affiliates and Members to furnish required information |
|     | (4) No names or status, except the names and status of those Affiliates and Members already on the Register, shall be entered therein save on the authority of the Board nor shall any name be removed from the Register nor | Authority for Entries or Changes in the                |

the status therein be changed save on like authority.

Register

### **RIGHTS AND PRIVILEGES OF AFFILIATES AND MEMBERS**

- |     |   |                                |
|-----|---|--------------------------------|
| 43. | A copy of the Constitution shall be supplied to every Affiliate and Member on admission.  | Constitution                   |
| 44. | All Members of the Institute shall be entitled to attend all General Meetings and shall receive all notifications and circulars concerning the affairs of the Institute.  | Attendance at General Meetings |
| 45. | (1) Each Institutional Member shall be entitled:<br><br>(a) to vote and shall have one vote; and<br><br>(b) to nominate one accredited representative to attend and vote at all General Meetings and in accordance with Article 72(1)(b)(ii) to vote not more than three (3) Individual Members into the Board of Directors. Alternate accredited representatives may be appointed by such Institutional Members but no Institutional Member may have more than one accredited representative at any General Meeting. | Voting by Institutional Member |
|     | (2) Each Individual Member shall be entitled:<br><br>(a) to vote and have one vote; and<br><br>(b) for this purpose to vote personally or may appoint a proxy, who shall be an Individual Member, to attend and vote at all General Meetings and in accordance with Article 72(1)(b)(i), to vote not more than three (3) Individual Members who shall be Associate Members and/or Fellow Members only into the Board of Directors.  | Voting by Individual Member    |

### **AMENDMENT OF CONSTITUTION**

- |     |  |  |
|-----|--|--|
| 46. | No addition, alteration or amendment shall be made to or in provisions contained in the Constitution for the time being enforced unless the same shall have been previously submitted to and approved by the Minister charged with the responsibility for companies under the Companies Act, 2016 in Malaysia. | No Alterations                           |
|     | (1) Subject to the Act, amendments of the Constitution may only be done as follows:-   | Amendment of Constitution                |
|     | (a) Amendment to the Constitution shall only be made by an Annual General Meeting or an Extraordinary General Meeting convened for the purpose;  | Amendment to be made at General Meetings |
|     | (b) Any such proposed amendment, deletion or addition shall be by a special resolution and require a majority of not less than three-fourths (3/4) of Members present in person or by proxy or in the case of Institutional Members, by representation at such meeting; and                                    | by Special Resolution                    |
|     | (c) A notice of not less than twenty-one (21) days before the meetings at which such proposals are to be discussed shall be given to all members.  | Notification                             |

### **GENERAL MEETINGS**

- |     |  |   |
|-----|--|---|
| 47. | The Institute shall hold a General Meeting in every calendar year as its Annual General Meeting at such place, time and date as may be determined by the Board shall specify the meeting as such in the notices calling it. The first Annual General Meeting shall be held within eighteen (18) months of its incorporation. Every Annual General Meeting thereafter shall be held within six (6) months after the end of the financial year and not more than fifteen (15) months after the last preceding Annual General meeting, for the following purposes:-   | Annual General Meeting and the Business to be conducted |
| (a) | to receive the Annual Report and laying of audited financial statements and the reports of the directors and auditors;   | Adopt Accounts  |
| (b) | the election of directors retiring by rotation;  | Election of Board                                       |
| (c) | to appoint and fix the remuneration of auditors for the ensuing year. Such appointed firm may be reappointed each year as the meeting thinks fit. Auditors to be appointed shall not be members of the Board; and  | Appoint Auditor   |
| (d) | to transact any other business; and the Secretary shall be notified of such other business to be transacted in writing, together with the names of the proposers and seconders, not less than fourteen (14) days before the date fixed for the meeting, subject to the Constitution and the Act.   | Any other business                                      |
| 48. | All General Meetings, other than Annual General Meetings shall be called Extraordinary General Meetings and shall specify the meeting as such in the notices calling it.   | Extraordinary General Meeting                           |
| 49. | (1) Any member entitled to be present and vote at a meeting may submit any motion at any General Meeting, provided that and subject to the Constitution, in the case of an ordinary resolution, he shall serve upon the Institute, at least fourteen (14) clear days before the day appointed for the meeting, a notice in writing of the proposed ordinary resolution and stating his intention to submit the same and the Secretary shall notify all Members of the Institute of the proposed motion in accordance with the Constitution.  | Notice of motion submitted                              |
| (2) | The Board may convene an Extraordinary General Meeting subject to the provisions herein contained. The Secretary or the General Manager must convene a meeting of the Board within seven (7) days if required to do so in writing by four (4) members of the Board to discuss the convening of an Extraordinary General Meeting.   | Board Convening Extraordinary General Meeting           |
| (3) | An Extraordinary General Meeting shall also be convened by the Board on the signed requisition of not less than one tenth (1/10) of the Members and stating the purposes of the meeting.   | Requisition of Extraordinary General Meeting by Members |
| (4) | An Extraordinary General Meeting shall be held at the place, time and date to be determined by the Board. Notice of such meeting, together with the business to be transacted thereat, shall be given to all Members in writing not less than fourteen (14) days before the date fixed for the meeting unless the purpose is the passing of a special resolution or amendment of these Articles in which event twenty-one (21) days' notice shall be given.  | Notice for Extraordinary General Meeting                |
| (5) | In the event that the Board fails to convene an Extraordinary General Meeting requested by Members as aforesaid in this Article within twenty-one (21) days of such requisition, it shall be competent for the Members signing the requisition or for any of them representing more than one half (1/2) of the total voting rights of all of them to convene a meeting in the manner as nearly as possible as that in which meetings are to be convened by the Directors and to give notice in accordance with the provisions of these Articles to all Members of the Institute in writing of such meeting but | Convening Extraordinary General Meeting by Members      |



any meeting so convened shall not be held after the expiration of three (3) months from the date of the requisition.

- (6) No business, except that which has been duly notified, may be transacted at an Extraordinary General Meeting.

### NOTICES OF GENERAL MEETING

50. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one (21) days' notice in writing at least, and a meeting of the Institute other than an Annual General Meeting or a meeting for the passing of a special resolution shall be called by fourteen (14) days' notice. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the persons as are under the Constitution of the Institute, entitled to receive such notices from the Institute: Notice
- Provided that a meeting of the Institute shall, notwithstanding that it is called by shorter notice than that specified in this clause, be deemed to have been duly called if it is so agreed :- Shorter Notice
- (a) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of members having a right to attend and vote at the meeting, being majority together representing not less than ninety-five per cent (95%) of the total voting rights at that meeting of all members.
51. The accidental omission to give notice of General Meeting to, or the non-receipt of notice of General Meeting by, any person entitled to receive notice shall not invalidate the proceedings at that General Meeting. Accidental omission to notice
52. Subject to the Act, any notice or documents may be given by the Institute to any members in writing in the following manner: Service of notice/ documents
- (a) given by hand to the address, within Malaysia, of the member as supplied by him to the Institute for the purpose of giving notice to him; or
- (b) given by ordinary post to the address, within Malaysia, of the member as supplied by him to the Institute for the purpose of giving notice to him; or
- (c) given in electronic form by transmitting in any electronic means; or
- (d) subject to the Act and the Constitution, for the purpose of notice of general meeting, by publishing on the Institute's website.
53. (1) If a notice for a meeting of members is given by way of a publication in the Institute's website, the Institute shall notify its members that the notice is available in the website and such notification must be given in hard copy or by any electronic means, stating – Notice given by way of publication in the Institute's website
- (a) that it concerns a meeting of members;
- (b) the place, date and time of the meeting; and
- whether the meeting is an annual general meeting.

(2) If the notice is given by way of publication in the Institute's website, the notice of general meeting shall be available in the website throughout the period beginning from the date of notification until the conclusion of the meeting of members.

(3) A notice :

- (a) delivered in person, or left at a recipient's address, is taken to be given on the day it is delivered;
- (b) sent by post, is taken to be given on the third day after it is posted with the correct payment of postage costs;
- (c) sent by electronic means and digital transmission, is taken to be given on the business day after it is sent irrespective of whether or not the same is actually received by the member; and
- (d) given by publication in the Institution's website, is taken to be given on the business day after the notification that the notice is available on the website is sent.

54. Notices of every general meeting shall be given in any manner hereinafter authorised to:- Who may receive notice of General Meeting
- (a) every member except those members who have not supplied to the Institute an address within Malaysia for the giving of notices to them;
  - (b) the auditors for the time being of the Institution;
  - (c) the members of the Board.

No other person shall be entitled to receive notices of general meetings.

### **USING TECHNOLOGY TO HOLD MEETINGS**

55. Subject to the Act, the Institute may hold a general meeting at more than one venue using any technology or electronic means that gives the members as a whole a reasonable opportunity to participate, including to hear and be heard, to vote and to communicate with each other simultaneously throughout the meeting. The main meeting venue shall, subject to the Act, be in Malaysia and the chairperson shall be present at the main venue of the meeting. General Meeting using electronic means
56. Anyone using this technology or electronic means is taken to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Quorum

### **PROCEEDINGS AT GENERAL MEETINGS**

57. All business transacted at an extraordinary general meeting shall be deemed special and all business transacted at an Annual General Meeting other than the following shall also be deemed special:- Special business
- (a) the laying of the audited financial statements, the reports of the Board and auditors;
  - (b) the election of directors in place of those retiring; and
  - (c) the appointment and the fixing of the remuneration of auditors.
58. No business shall be transacted at any general meeting unless quorum of members is present at the time when the meeting proceeds to business; save as hereinafter provided, 20 members present in person shall be a quorum. Quorum

59. If within half (1/2) an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place as the Board may determine, and if at the adjourned meeting a quorum is not present within half (1/2) an hour from the time appointed for holding the meeting the members present shall be quorum. Lack of Quorum.
60. The Chair at a General Meeting shall be taken by the Chairman of the Board, or in his absence, by the Deputy Chairman, or if he is also absent, by any Board Member of the Institute elected by the Board. All General Meeting shall be conducted in accordance with the Constitution. No person who is not a Member of the Institute may attend General Meetings of the Institute except by invitation of the Board or with the consent of the meeting and except for Affiliates who may attend Annual General Meeting. Such persons may only speak with the permission of the Chairman. Chairman
61. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give notice of adjournment or of the business to be transacted at an adjourned meeting. Adjourned meeting
62. In the case of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote. Casting Vote
63. At any General Meeting a resolution put to vote at the meeting shall be decided by a show of hands or by any electronic means decided by the Institute. A declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes book of the Institute shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. Manner of Voting
64. Every Member present in person shall have one vote and every Member present by proxy or by representation shall have one vote. An Individual Member or an Institutional Member entitled to attend and vote is entitled to appoint one proxy or accredited representative respectively to attend and vote in his stead. Voting power
65. Save as herein provided, no person other than a Member duly registered, who shall have paid every sum (if any) due and payable to the Institute in respect of his membership and who have not ceased to be a Member under the Constitution by the date of the notice of any General Meeting, shall be entitled to vote on any question either personally or by proxy or by accredited representative at such General Meeting. Non-payment of due sums
66. A proxy and an accredited representative shall be entitled to vote by a show of hands or by any electronic means decided by the Institute. Proxy permitted
67. Only an Individual Member shall be a proxy and no proxy shall be a proxy for more than two (2) Individual Members. Limit of Proxies
68. (i) The instrument appointing a proxy shall be in writing and under the hand of the appointer. Instrument of Appointment to be in writing  
(ii) The instrument appointing an accredited representative shall be in writing and under the seal of the Institutional Member in accordance with the Act.

- 69. The instrument appointing a proxy or accredited representative and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Office or sent by any electronic means decided by the Institute not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. Lodging at Registered Office
  
- 70. A vote given in accordance with the terms of an instrument of proxy or accredited representation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or accredited representation or of the authority under which the proxy or accredited representation was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received by the Office before the commencement of the meeting or adjourned meeting at which the instrument is used. Validity of Instrument
  
- 71. Any instrument appointing a proxy or accredited representative shall be in the following form or as near thereto as circumstances will permit. Proxy and Accredited Representative Form

**THE MALAYSIAN INSURANCE INSTITUTE**  
**[Company No: 197701004772 (35445-H)]**  
**(Incorporated in Malaysia)**

PROXY / ACCREDITED REPRESENTATIVE FORM

<b>Membership No.</b>
-----------------------

I/We.....  
 (in block letters)

I/C No./Passport No. Co. No .....

of .....  
 (Full address)

being an Individual / Institutional Member of **THE MALAYSIAN INSURANCE INSTITUTE** hereby appoint the following person:

Name of Proxy/ Accredited Representative	NRIC No./ Passport No.	Membership No. (For Proxy)	Phone No.	Email	Address

or failing him/  
her

Alternate Proxy					
-----------------	--	--	--	--	--

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual / Extraordinary/ Adjourned (as the case may be) General Meeting of the Institute, to be held at.....on....., or at any adjournment thereof

My proxy/ our nominee is to vote as indicated below:

Resolution	For	Against

Dated this            day of

.....

Signature(s) / Common Seal

*\*strike out whichever is not desired.*

**THE MANAGEMENT OF THE INSTITUTE**

- |     |  |                             |
|-----|--|-----------------------------|
| 72. | <p>(1) The management of the Institute shall be vested in a Board of Directors whose members shall not be less than eight (8) and not more than fifteen (15) and shall comprise the following:</p> <p>(a) One (1) Director nominated by and representing Bank Negara Malaysia from time to time;</p> <p>(b) (i) not more than three (3) Individual Members who shall be Associate Members and/or Fellow Members only to be elected by Individual Members at an Annual General Meeting.</p> <p>(ii) not more than three (3) Individual Members to be elected by Institutional Members at an Annual General Meeting.</p> <p>(c) not more than four (4) members to be nominated by and representing the associations of insurance institutions in Malaysia, from time to time, and shall be in the following representation:</p> <p>(i) one (1) representative who shall be the Chairman or Deputy Chairman of the Persatuan Insuran Am Malaysia (PIAM);</p> <p>(ii) one (1) representative who shall be the President or Vice President of The Life Insurance Association of Malaysia (LIAM);</p> <p>(iii) one (1) representative who shall be the Chairman or Deputy Chairman of <u>The Malaysian Insurance And Takaful Brokers Association (MITBA)</u>;</p> <p>(iv) one (1) representative who shall be the Chairman or Deputy Chairman of The Association of Malaysian Loss Adjusters (AMLA);</p> <p>(d) not more than four (4) persons nominated by the Board.</p> | Composition of the Board    |
|     | <p>(2) The Board may at any time appoint any Individual Member to be a Director to fill a casual vacancy and such appointment shall be for the remainder of the term of office of the vacating member of the Board.</p>  | Casual Vacancy              |
|     | <p>(3) (a) The first elected members of the Board shall be nominated from the elected Councillors of the Insurance Institute of Malaysia (IIM) and so joining the Board be deemed to have been duly elected at an Annual General Meeting. They shall retire at the next Annual General Meeting of the Institute.</p> <p>(b) At every Annual General Meeting, one third (1/3) of Board members who are represented by Individual Members and Institution members respectively are subject to retire, shall be eligible for re-election, or if their number is not three or multiple of three, then the number nearest</p>   | Retirement of Board Members |

one-third, shall retire from office.

- (c) The Directors to retire in each year shall be the Directors who have been longest in office since the Directors' last election. However, for persons who became Directors on the same day, the Directors to retire shall be determined by lot, unless they otherwise agree among themselves.
  - (d) The Board representative from Bank Negara Malaysia and representatives of associations of insurance institutions in Malaysia will be excluded from retirement by rotation.
- (4) There shall be a Board of Directors for the management of the affairs of the Institute. Management of affairs
  - (5) No person shall be appointed as Director of the Institute unless his appointment has been approved by the Registrar of Companies/ Minister pursuant to the Act. Appointment of director
  - (6) The Board and the members of the Institute shall always ensure that the Institute or the fund of the Institute is not being used for any form of political activity or for unlawful purpose prejudicial to or incompatible with peace, welfare, security, public order, good order or morality in Malaysia or for any purpose prejudicial to national security or public interest. No political activity or unlawful purpose
  - (7) The Institute may by Ordinary Resolution at a General Meeting remove any member of the Board before the expiry of his period of office and Removal of Board Member and appointment of another in his place
    - (a) In the case of a director originally appointed in accordance with Article 72(1)(b) may by ordinary resolution appoint another in his stead.
    - (b) In the case of a director originally appointed in accordance with Article 72(1)(a), 72(1)(c) and 72(1)(d), the nominating body may nominate another in his stead.
  - (8) The Board may establish any Committee/Council and may appoint any person or persons to be the member(s) of the Committee/Council. The Committee/Council may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the same, the members present may choose one of their numbers to be chairman of the meeting. Establishment of Committee/ Council

#### **DISQUALIFICATION OF MEMBERS OF THE BOARD**

- 73. The office of a Director shall ipso facto be vacated, if the Director: Disqualification of Directors
  - (a) If he dies or leaves Malaysia for a period of more than twelve (12) months or resigns or is unwilling or becomes incapable of carrying out his duties;
  - (b) If the organisation which he represents ceases to be a Member of the Institute or is suspended from membership or if notice in writing is given by the organisation removing him from being a member of the Board;
  - (c) If he ceases to be a Member of the Institute or is suspended from membership;
  - (d) If he becomes bankrupt or insolvent or enters into any composition or arrangement with or makes any assignment for the benefit of its creditors or

allows any judgement against him to remain unsatisfied for a period of twenty-one (21) days;

- (e) If a receiving order is made against the organisation he is representing;
- (f) If he is declared a lunatic or becomes of unsound mind;
- (g) If he is convicted of a criminal offence involving fraud, dishonesty or any other offence punishable on conviction with imprisonment for three months or more or fine exceeding RM2,500 or both;
- (h) If he is prohibited or disqualified from being a Director of the Board under any provisions of the Act;
- (i) If he absents himself for three (3) consecutive Board Meetings without the approval of the Board;
- (j) without the consent of the Institute in general meeting holds any office of profit under the Institute;
- (k) resigns from his office by notice in writing to the Institute;
- (l) is removed by ordinary resolution of the Institute;
- (m) is directly or indirectly interested in any contract with the Institute and fails to declare the nature of his interest in the manner required by the Act.

#### **OFFICE BEARERS OF THE INSTITUTE**

74. The office bearers of the Institute and their duties and functions are as follows:-

- (a) Chairman - The Chairman of the Board shall be elected from amongst the existing Members of the Board and shall normally chair all General Meetings and Board Meetings of the Institute. He shall also represent the Institute in its dealings with outside persons and organisations in accordance with principles and policies as determined by the Board. Chairman
- (b) Deputy Chairman - The Deputy Chairman shall be elected from amongst the existing Members of the Board and shall assist the Chairman in his duties and deputize for him in his absence. Deputy Chairman
- (c) General Manager - The General Manager shall be the Chief Executive Officer appointed by the Board of the Institute and shall be paid such remuneration as the Board thinks fit and shall be responsible for the day-to-day business and administration of the Institute or any matters as may be directed by the Board. He shall also be responsible for submitting to the Board interim reports of the management of the affairs of the Institute. General Manager
- (d) The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them. Secretary

#### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

75. (1) The affairs of the Institute shall be managed by the Board, who may exercise all of such powers of the Institute as are not, by the Act or by the Constitution, required to be exercised by the Institute in general meeting, Powers of the Board

subject nevertheless to the provisions of the Act or the Constitution which powers shall include power to :-

- (a) enact and amend any Rules necessary to ensure the proper management and administration of the Institute;
- (b) appoint on such terms as it may determine, a General Manager of the Institute and such other staff as it considers necessary for the day-to-day administration of the Institute;
- (c) award and confer diplomas, certificates and the like, and scholarships and prizes as considered appropriate;
- (d) appoint and dissolve Council, Committee or Sub-committee for special purposes as it considers necessary for the proper management and administration or in furtherance of the objects of the Institute and may delegate any of its powers to them as it thinks fit;
- (e) set up branches or regional offices or local centres in furtherance of the objects of the Institute and may delegate any of its powers to them as it thinks fit;
- (f) approve or refuse admission of applicants to affiliation or membership of the Institute without being required to assign any reason. Such action may be based upon the recommendations of a Membership Committee/Council which it may appoint;
- (g) impose such disciplinary action as it thinks fit on any Affiliate or Member acting in a manner deemed to be contrary to the objects or detrimental to the interests of the Institute. Such action may be based upon the recommendations of a Disciplinary Committee which it may appoint;
- (h) determine the affiliation of the Institute with other bodies or organisations;
- (i) use its discretion and interpretation in the event of any matter or question arising out of any point not specifically provided for in the Act and the Constitution;
- (j) decide on the fees and other payments for services rendered by the Institute;
- (k) purchase, rent or otherwise acquire and furnish suitable premises for the use of the Institute;
- (l) take cognisance of anything affecting the Institute or the professional conduct of meetings of the Institute and shall have power to bring before the General Meeting of the Institute any matters which it considers material to the Institute or to the interests of the profession and may make any recommendations and take such action as it thinks fit in relation thereto;
- (m) send each year and circulate amongst the Affiliates and Members a copy of the accounts and a report of the activities of the Institute during the previous year and it may in its discretion, send a list of Affiliates and/or Members and such other information and circulate the same amongst the Affiliates and/or Members;
- (n) institute, conduct, defend, compound or abandon any legal



proceedings by and against the Institute or its officers or otherwise concerning the affairs of the Institute and also may compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Institute;

- (o) refer any claims or demands by or against the Institute to arbitration and observe and perform every award made as a result of such arbitration;
  - (p) make and give receipts, releases and other discharges for monies payable to the Institute and for claims and demands of the Institute;
  - (q) invest and deal with any monies of the Institute upon such security and in such manner as it thinks fit and it may from time to time vary and call in such investments;
  - (r) borrow or raise money by bank overdraft, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debentures stock and others securities, whether outright or as security for any debt, liability or obligation of the Institute;
  - (s) delegate any or all of its powers to any person or persons provided that the powers set out in Article 15 and the Constitution and the power to declare forfeited affiliation to or membership of the Institute under the Article 35 and the Constitution shall not be delegated by the Board;
  - (t) make such rules and regulations and prescribe such forms and do all such things as the Board may from time to time in its discretion think necessary, expedient or fit for the internal management, regulation and good government of the Institute.
- (2) A Director shall not vote in respect of any contract in which he is interested or any matter arising there out, and if he does so vote his vote shall not be counted. Abstain from voting
- (3) All cheques, promissory notes, draft, bill of exchanges and other negotiable instruments, and all receipts for moneys paid to the Institute shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. Cheques  
Signatories
- (4) The Board may from time to time delegate any of their powers to a Committee/Council or Committees/Councils consisting of such members of their body as they think fit and with such powers as the Board may prescribe, provided that such powers are not exceeding those vested in or exercisable by the Board under the Constitution. Delegation of  
power to  
Committee  
/Council

**PROCEEDINGS OF THE BOARD**

76. (a) The Board may meet at least twice annually together for the dispatch of business, adjourned, and otherwise regulate their meetings, as they think fit. Question arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote. Such meetings shall be convened by the Secretary or the General Manager on instructions from the Chairman or in his absence, from the Deputy Chairman. Board Meeting
- (b) A meeting shall be convened at any time upon a request in writing of any four members of the Board. Request in writing
- (c) The quorum at a meeting of the Board shall be at least a majority of the Quorum

- total number of the Board members then in office when the meeting is called to order.
- (d) All members of the Board shall be entitled to one vote. In the event of a tie, the Chairman of the meeting shall be entitled to a second and casting vote. Except where provided otherwise, all decisions shall be by simple majority of members present and voting. Voting Power
- (e) Any member of the Board present at a meeting where any business in which such member is personally interested, whether directly or indirectly, is being discussed shall voluntarily make known such interest and retire from the meeting during discussion of the business. Declaration of Interest by Board Members
- (f) A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in it by the Constitution. Power of Quorum
- (g) The conduct of a meeting of Directors may include a participation thereat by any Director via telephone or video conferencing or any other electronic communications whereby all participating persons are able to hear each other during the meeting. A Director's participation in the aforesaid manner shall be deemed to be present and counted for the purpose of a quorum. Teleconference
77. Seven (7) clear days' notice in writing or served via facsimile, e-mail, post, courier or any other electronic means of a meeting of the Board of Directors shall be given to the Directors unless the Chairman, or in his absence, the Deputy Chairman, or at least four (4) Directors consider the situation one of urgency, a shorter notice in writing may be given. The notice shall, as far as practicable, contain a general statement of the business to be transacted at such meeting. Notice of Board Meetings
78. The Chairman shall be entitled to preside at all meetings of the Board at which he is present, but if the Chairman be not present within half an hour after the time appointed for holding the meeting, the Deputy Chairman shall chair the meeting or in his absence the Directors shall choose one of their number to be chairman of the meeting. Chairman
79. A resolution in writing, signed by majority of the Directors for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held with the exception of the following matters which should be deliberated at the meeting of the Board:
- a) Amendment to the Constitution; and
- b) Acquisition or disposal of immovable property.
- Any such resolution in writing may consist of several documents, including facsimile or any other electronic means of communication, in similar form and each document shall be signed or assented to by one or more Directors.
80. Notwithstanding any vacancy in the Board and the number of Directors being reduced to less than eight (8), it shall be lawful for the continuing Directors to act for the purpose of filling up vacancies in the Board or for summoning a General Meeting but not for any other purpose. When Quorum is Not Necessary
81. The meetings and proceedings of every Committee/Council formed under Article 75(1)(d) and the Constitution shall be governed by such rules and regulations as may from time to time be made by the Board and, in default of such rules and regulations, by the provisions herein contained for regulating the meetings and proceedings of the appointing Board so far as the provisions are applicable thereto. No report or resolution of any Committee/Council shall bind the Institute Delegation of powers

until adopted or confirmed by the Board unless at the time of the appointment, power to do so was expressly given to such Committee/Council.

- |     |   |                         |
|-----|---|-------------------------|
| 82. | All acts bona fide done at any meeting of the Board or of any Committee/Council shall, notwithstanding it be afterwards discovered that there was such defect in the appointment or continuance of any such member or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director or a member of such Committee/Council. | Bona fide acts of Board |
| 83. | The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all General Meetings, Board Meetings, Committee/Council Meetings and all business transacted at such meetings. Minutes of any meeting signed by the chairman of such meeting, or by the chairman of the next succeeding meeting, shall be conclusive evidence of the transactions recorded in such minutes.                               | Minutes of meetings     |

#### **THE SEAL**

- |     |  |   |
|-----|--|---|
| 84. | The Board shall provide for the safe custody of the seal. Except as provided in the Article 27 and the Constitution, the Seal of the Institute shall be used as follow:-<br><br>(a) The Seal of the Institute shall not be used except by the authority of the Board. All deeds and other documents requiring to be sealed shall be signed by the Chairman or in his absence, the Deputy Chairman, and countersigned by a Director and another Director or the General Manager of Institute; and<br><br>(b) The signatures of the Chairman, Deputy Chairman, Director and General Manager shall for all purposes be accepted as sufficient evidence of the due sealing of all deeds, documents and other instruments on behalf of the Institute. | Authorization<br><br><br><br><br>Signatures |
|-----|--|---|

#### **PRIVILEGED COMMUNICATIONS**

- |     |   |                        |
|-----|---|------------------------|
| 85. | All communications, correspondences, reports, minutes and other papers and documents relating to any application to the Board; or to the admission or advancement of Affiliates and/or Members; or to complaints or investigations, or to proceedings of the Committee/Council of Examiners; or to proceedings of the Board, Council or any Committee/Council or to the suspension or forfeiture of affiliation or membership of any Affiliate or Member or to any proceeding under Article 15, 35 and 37, shall be privileged and confidential and shall not be passed out of the custody of the proper office nor shall any of the contents be disclosed outside the Board and the Committee/Council save on the express authority of such Board as recorded in the minutes or save as may be considered necessary by the Disciplinary Committee/Council in the course of an interview with the Affiliate or Member concerned or save as may be necessary to give the notice prescribed by Article 38 and the Constitution. | Confidential documents |
|-----|---|------------------------|

#### **ACCOUNTS**

- |     |  |                   |
|-----|--|-------------------|
| 86. | The Board shall cause proper books of accounts to be kept at the Office of the Institute or at such place or places and in the charge of such persons as the Board may from time to time direct. | Books of Accounts |
| 87. | (1) The Board shall exercise control over the funds, receipts and expenditure of   | Control of Funds  |

the Institute in accordance with the financial regulations which it may draw up and such financial regulations shall, inter alia, provide for the transfer of the Institute's surplus funds to any trust funds operated by the Institute at every financial year end of the Institute.

- (2) All monies when received on account of the Institute shall be paid into the bank account of the Institute opened by the Board. Monies to be paid to the Bank Account of Institute
- (3) (a) All bills of exchange, promissory notes or other negotiable instruments (other than cheques) shall be accepted, made, drawn or endorsed for and on behalf of the Institute by one Member of the Board and countersigned by the officer appointed by the Board for that purpose. Signatures on Bills Exchange etc.
- (b) The Board may authorize the operation of any account with its Bankers which it considers necessary, and it may authorise any officer of the Institute to sign or endorse any negotiable instruments drawn on such account under such conditions as it may prescribe from time to time. Operation of Accounts
88. An income and expenditure account together with a balance sheet shall be prepared at least quarterly for the consideration of the Board. Quarterly Accounts
- 88A. The Board shall at some date not later than eighteen (18) months after the incorporation of the Institute and subsequently once at least in every calendar year at intervals of not more than fifteen (15) months lay before the Institute at its Annual General Meeting the following:- Presentation of Accounts
- (a) (i) An Annual Report of the condition and affairs of the Institute;
- (ii) a statement of accounts for the period since the preceding account (or in the case of the first accounts, since the incorporation of the company) made up to date not more than six (6) months before the date of the meeting; and
- (iii) a balance sheet as at the date to which the statement of accounts is made up;
- (b) The Annual Report, Statement of Accounts and Balance Sheet shall be signed by the Chairman or in his absence, the Deputy Chairman and one other member of the Board;
- (c) A copy of the Annual Report, Statement of Accounts and Balance Sheet shall be given not less than twenty-one (21) days before the Annual General Meeting to every Affiliate and Member with the notice convening the Annual General Meeting in the manner prescribed under Article 52 and the Constitution; and
- (d) Every such balance sheet shall be accompanied by proper reports of the Board and the auditors and copies of such account, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same.
89. True accounts shall be kept of the sums of money received and expended by the Institute and the matter in respect of which such receipt, and expenditure takes place, and of the property, credits and liabilities of the Institute and subjects to any Accounts for inspection

reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Institute for the time being, shall be open for the inspection of the members. Once at least in every calendar year the accounts of the Institute shall be examined and the correctness of the balance sheet ascertained by one or more qualified auditor or auditors.

#### AUDIT

- |     |   |                   |
|-----|---|-------------------|
| 90. | The first auditors shall be appointed by the Board and thereafter by the Members at each Annual General Meeting. The fees and expenses of the auditors shall be fixed by the Institute at the Annual General Meeting or if the Members authorise the Board to fix their remuneration. Their duties shall be in accordance with the Act and no Directors shall be eligible for appointment as auditor. | Audit of Accounts |
| 91. | The Board may fill any vacancy in the office of auditors. Auditors shall be appointed and their duties regulated in accordance with the Act.  | Auditors          |

#### DISSOLUTION

- |     |  |   |
|-----|--|---|
| 92. | Subject to the provision of the Constitution relating to the winding up and dissolution of the Institute shall have effect as if the provisions thereof were repeated in the Constitution.   | Dissolution                             |
|     | (1) Every Member of the Institute undertakes to contribute to the assets of the Institute in the event of the same being wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the debts and liabilities of the Institute contracted before he ceases to be a Member, and of the costs, charge and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding RM100/-.   | Contribution of Members upon winding-up |
|     | (2) If upon the winding up or dissolution of the Institute there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid or distributed among the Members of the Institute, but shall be given or transferred to some other institutions having objects similar to the objects of the Institute to be determined by special resolution at a General Meeting at or before the time of dissolution and in default thereof by a Judge of the High Court of Malaya or the High Court of Sabah and Sarawak. | Winding up                              |
| 93. | (a) The institute shall not be dissolved except with the consent of not less than three fourths (3/4) of its total Members present and voting at a General Meeting for the purpose.<br><br>(b) Notice of any proposal to dissolve the Institute shall be given to all Members not less than one calendar month before the date fixed for the meeting.  | Winding up                              |
| 94. | Every Board Member, General Manager and other officers for the time being of the Institute shall be indemnified out of the assets of the Institute against any liability incurred by him in defending proceedings related to the affairs of the Institute, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the Court in respect of any negligence, default, breach of duty or breach of trust.                             | Indemnity                               |
| 95. | If any doubt shall arise as to the proper construction or meaning of any of the Constitution or of any rules or regulations made thereunder or any of them or of   | Interpretation of Articles              |

Company No.: 197701004772 (35445-H)

any expression used therein the decision of the Board thereon shall be final and conclusive provided such decision be reduced to writing and recorded in the Minutes Book of the proceedings of the Board.