



## **CONSTITUTION**

**MAJLIS PELABUR INSTITUSI MALAYSIA  
(INSTITUTIONAL INVESTORS  
COUNCIL MALAYSIA)**

**(NEW)**

**PPM-006-14-29122017**

**CONSTITUTION  
MAJLIS PELABUR INSTITUSI MALAYSIA  
(INSTITUTIONAL INVESTORS COUNCIL MALAYSIA)**

**1. NAME**

1.1 The Association shall be known as:

**MAJLIS PELABUR INSTITUSI MALAYSIA  
(INSTITUTIONAL INVESTORS COUNCIL MALAYSIA)**

hereinafter referred as “the Association”.

**2. ADDRESS**

2.1 The registered address is:

11TH FLOOR, BANGUNAN KWSP, NO: 3, CHANGKAT RAJA CHULAN, OFFJALAN  
RAJA CHULAN, 50200 WILAYAH PERSEKUTUAN KUALA LUMPUR

or at such other place as may from time to time be decided by the Council Board;  
and the postal address is:

11TH FLOOR, BANGUNAN KWSP, NO: 3, CHANGKAT RAJA CHULAN, OFFJALAN  
RAJA CHULAN, 50200 WILAYAH PERSEKUTUAN KUALA LUMPUR

2.2 The registered and postal addresses shall not be changed without the prior approval of the Registrar of Societies.

**3. OBJECTIVES**

3.1 The objectives of the Association shall be to:

(a) represent the interests of institutional investors on matters affecting them and to act as a conduit between policy makers, regulators and institutional investors in relation to broader corporate governance issues;

(b) provide vision and strategic direction in relation to the development of the Institutional Investors Council and future enhancement to the Malaysian Code for Institutional Investors (Code);

(c) advocate, provide guidance and monitor the adoption of the Code among institutional investors and encouraging institutional investors to become signatories of the Code; and

(d) be the platform to influence good corporate governance culture by public listed companies as envisaged in the Corporate Governance Blueprint 2011.

## **4. MEMBERSHIP**

### **4.1 Classes**

4.1.1 The Association shall have one class of membership namely Ordinary Members.

### **4.2 Number of Members**

4.2.1 The number of Members of the Association is unlimited.

### **4.3 Eligibility**

4.3.1 An Ordinary Member is any organisation that is incorporated or organised under the laws of Malaysia which is:

- (i) an institutional investor as defined under the Code; or
- (ii) such Organisations which, at the discretion of the Council Board, qualifies for membership of the Association.

4.3.2 The Code defines 'Institutional investors' as asset owners and asset managers with equity holdings in corporations listed in Bursa Malaysia. Asset owners are collective investment vehicles which collect funds on behalf of their beneficiaries or clients and manage them internally or externally such as pension funds, private retirement scheme providers, insurance companies, takaful operators and investment trusts. Asset managers are agents that are responsible to manage the funds on behalf of the asset owners through an investment mandate.

### **4.4 Application of Membership**

4.4.1 Every application of membership must be made in writing in the prescribed form to the Secretary who shall forward such application to the Council Board for approval. The Council Board may at its discretion reject any application without assigning any reason thereof.

4.4.2 If the Council Board approves an application for membership, the Council Board will notify the applicant of the approval, the joining fee and the annual subscription fee payable by the applicant.

### **4.5 Admission**

4.5.1 Subject to Clause 4.7, an applicant becomes a Member upon payment, where applicable, of the joining fee and annual subscription.

#### **4.6 Entries in the Register of Members**

4.6.1 The Secretary will maintain the Register of Members and will enter in it the full name, address and nominated representative of each Member, the date on which the Member became a Member, the class of membership of the Member, the date upon which each Member ceased to be a Member and any other details required by the Association.

#### **4.7 Conditions of Membership**

4.7.1 Every Organisation on becoming a Member binds itself to observe all the Rules and regulations of the Association.

#### **4.8 Joining Fee**

4.8.1 The applicant for membership of the Association shall pay a one-off joining fee as follows:-

	<b>Assets Under Management (AUM)</b>	
	<b>≥ RM100 Billion</b>	<b>&lt; RM100 Billion</b>
Joining Fee	RM5,000	RM3,000

4.8.2 Any new joining fee imposed shall take effect the following year. All joining fee paid shall not be refundable.

4.8.3 The Council Board shall have the power to exempt a member from the requirement to pay the Joining Fee under special circumstances.

#### **4.9 Code of Conduct**

4.9.1 The Council Board may from time to time exercise all the necessary powers to promulgate and establish regulations, standards, code of conduct, rules for disciplinary proceedings and bye-laws as it considers necessary to regulate the professional conduct of its Members.

4.9.2 Any such regulations, standards, code of conduct, rules for disciplinary proceedings and bye-laws shall take into account international practices and standards commonly practised or prevailing in the industry and shall not be inconsistent with these Rules.

4.9.3 All regulations, standards, code of conduct, rules for disciplinary proceedings and bye-laws made by the Council Board under this Rule shall be binding on the Members upon the approval by a majority of three-fourths (3/4) of the Ordinary Members present and voting at a General Meeting of the Association.

- 4.9.4 All Members shall comply fully with all applicable regulations and the code of ethics and standards of professional conduct as adopted by its own relevant industry and shall adhere to all applicable regulations, standards, codes and bye-laws and other rules relating to the Association.

## **5. SUSPENSION AND TERMINATION**

### **5.1 Suspension and Termination for Non-Payment of Subscription**

- 5.1.1 A Member which annual subscription remains unpaid for six (6) months of its Payment Date shall be suspended from membership automatically for so long as its annual subscription continues in arrears.
- 5.1.2 A Member which annual subscription has not been paid within nine (9) months of its Payment Date shall cease automatically to be a Member of the Association.
- 5.1.3 The Council Board shall have the power to reinstate any Member whose membership has been terminated under the provisions of this Rule upon payment of the arrears.

### **5.2 Suspension and/or Termination**

- 5.2.1 In addition to the provisions of Clause 5.1, the Council Board may in its absolute discretion determine that a Member ceases to be a Member if:
- (a) The Member does any act or omits to do any act in breach of the Act, the Companies Act 2016, the Capital Markets and Services Act 2007 or any other legislation which regulates the relevant Member; or
  - (b) The Member is in breach of any of the Rules, regulations standards, codes or bye-laws of the Association; or
  - (c) A receiver or manager is appointed to the Members of the whole or any part of its asset or undertaking.
- 5.2.2 No motion for suspension or termination of a membership under Clause 5.2 shall be considered except at a meeting of the Council Board. Such a motion shall not be deemed carried except by a majority of the Council Board members present and voting.
- 5.2.3 A Member shall be given at least seven (7) working days' notice of the meeting at which suspension or termination of its membership is to be considered and of the grounds on which suspension or termination of its membership is sought and such Member shall be entitled to submit representations to that meeting orally or in writing.
- 5.2.4 During the continuance of any period of suspension of the membership, a Member shall be prohibited from enjoying the rights and privileges of membership of the Association.

5.2.5 The Secretary shall as soon as practicable after termination of a Member's membership, remove the former Member's name from the Register of Members and notify the former Member in writing of its removal.

5.2.6 The Member remains liable to pay the Association any monies which the Member is liable to pay.

### **5.3 Resignation**

5.3.1 Any member who wishes to resign or retire from the Association shall give one months' notice in writing to the Secretary at the registered address of the Association and shall pay up all dues. The Member shall not be entitled to any refund of the annual subscription or any part thereof.

## **6. ANNUAL SUBSCRIPTION**

6.1 The Annual Subscription Fee for membership shall be RM5,000 or such other sum determined by the Council Board from time to time.

6.2 Subject to Clause 6.3, the Annual Subscription Fee is payable in advance on or before 1 January in each Financial Year.

6.3 In the case of any application for membership of the Association made after 1 January in any Financial Year, the Annual Subscription Fee will be:

(i) pro-rated for the remainder of that Financial Year calculated from the date on which the Council Board approves the application; and

(ii) payable in advance on the date determined in accordance with Clause 4.4.2.

6.4 The Council Board shall have the power to exempt a member from the requirement to pay the Annual Subscription Fee under special circumstances.

## **7. GENERAL MEETINGS**

### **7.1 Annual General Meetings**

7.1.1 The Annual General Meeting of the Association shall be held as soon as possible after the close of each financial year but not later than 30 June on a date and a time and place to be decided by the Council Board. The business of the Annual General Meeting shall be to:-

- (a) adopt and confirm the minutes of the previous Annual General Meeting;
- (b) receive the Council Board's report on the activities of the Association during the previous year;
- (c) receive the Treasurer's report and the audited financial statements of the Association for the previous year;
- (d) elect the Council Board Members;
- (e) appoint an approved auditor for the ensuing year; and
- (f) deal with such other matters as may be put before it.

## **7.2 Extraordinary General Meetings**

7.2.1 The Extraordinary General Meeting of the Association may be convened by:-

- (a) the Council Board; or
- (b) a majority in number of the Ordinary Members having the right to attend and vote at the meeting requisitioning that a General Meeting be convened and setting out the business of the meeting.

7.2.2 A requisition by Ordinary Members must be in writing signed by the Ordinary Members or their nominated representatives as the case may be and must be delivered to the Secretary.

7.2.3 The Council Board will determine the time and place of a General Meeting requisitioned by Ordinary Members. Such a meeting must be held within thirty (30) days after the date on which the requisition is received by the Secretary.

## **7.3 Notice of General Meetings**

7.3.1 The Secretary shall send to all members at least twenty-one (21) days written notice before the date of each Annual General Meeting.

7.3.2 The Secretary shall send to all members at least twenty-one (21) days written notice of the time and place of any Extraordinary General Meeting and of any business deemed by these Rules to be special business.

7.3.3 Without prejudice to any other provision of these Rules, there must be circulated with the notice of each Annual General Meeting:-

- (a) the notification of the number of Council Board Member position which is available to be filled at the Annual General Meeting determined in accordance with Clause 8;
- (b) the names of the Council Board Members who are retiring;
- (c) if so retiring, whether such persons offered themselves for re-election;
- (d) a request for nominations for election to the vacant positions of the Council;
- (e) a copy of Council Board's report on the activities of the Association during the previous year; and
- (f) a copy of the audited annual accounts of the Association for the previous year.

#### **7.4 Entitlement to Attend General Meetings**

7.4.1 All Members of the Association and not more than two (2) representatives appointed in writing by each Member shall be entitled to attend the General Meeting of the Association. Subject to Clause 7.9.1, such representative shall be entitled to vote unless authorised by the necessary corporate representation or proxy filed with the Association.

#### **7.5 Nature of Business that may be Transacted**

7.5.1 All business that is transacted at an Extraordinary General Meeting shall be deemed special. All business that is transacted at an Annual General Meeting shall be deemed special, except for the approval and signature of the minutes of the previous Annual General Meeting, the consideration of the accounts, balance sheet and the reports of the Council Board and the auditors, the election of the Council Board and the appointment and fixing of the remuneration of the auditors.

#### **7.6 Chairman**

7.6.1 At all General Meetings, the chair shall be taken by the Chairman or in his absence, by the Vice Chairman. If neither Chairman nor the Vice Chairman shall be present within thirty (30) minutes after the time appointed for holding the meeting, the Ordinary Members and the representatives of Ordinary Members present and entitled to vote shall choose one of their numbers to chair the meeting.

#### **7.7 Quorum**

7.7.1 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business.

7.7.2 The quorum shall be:

(a) Thirty percent (30%) in number of Ordinary Members who are present in person or through its corporate representative or by proxy; or

(b) Ten (10) Ordinary Members who are present in person or through its corporate representative or by proxy;

whichever is the higher constitutes a quorum and except where the total membership of Ordinary Members shall be less than ten (10) then the quorum shall be all the Ordinary Members.

7.7.3 If within thirty (30) minutes from the time appointed for the meeting, a quorum is not present, the meeting if requisitioned by the Ordinary Members shall be dissolved and in any other case shall stand adjourned to such other day, time and place as may be appointed by the chairman with the consent of the meeting.



## **7.8 Adjournment**

- 7.8.1 The chairman may, with the consent of the meeting, adjourn any General Meeting from time to time, and from place to place (not exceeding thirty (30) days), but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.

## **7.9 Voting and Proxies**

- 7.9.1 Only an Ordinary Member, or through its proxy or corporate representative shall be entitled to vote at the General Meeting in the manner hereinafter provided. No appointed corporate representative or proxy of an Ordinary Member shall be entitled to vote at any General Meeting if the annual subscription of that Ordinary Member is more than two months in arrears at the date of the meeting. One (1) Ordinary Member shall be entitled to one (1) vote.
- 7.9.2 At any General Meeting, a resolution put to vote of the meeting shall be decided by a show of hands unless a poll is demanded by the chairman of the meeting or by at least two (2) Ordinary Members present in person or by proxy and entitled to vote and voting. If a poll is demanded it shall be taken in such manner as the chairman of the meeting directs.
- 7.9.3 Unless otherwise specified in the Act or by these Rules, any resolution put to vote at any General Meeting decided by a majority of the Ordinary Member present and voting by proxy or through the corporate representative of the Ordinary Member.
- 7.9.4 In addition to his own vote, the chairman of the meeting shall have a second or casting vote in case of an equality of votes.
- 7.9.5 Subject to the provisions of Clause 7.9.1, only one (1) appointed representative of an Ordinary Member present shall have one (1) vote. Votes may be given either under seal or under the hand of an officer or attorney duly authorised. A proxy shall be appointed in writing under the name of the appointor. The instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument. The instrument appointing a proxy shall be delivered to the Secretary or deposited at the registered office of the Association not less than forty-eight (48) hours before the time for holding the meeting at which the person named in such instrument proposes to vote.

## **7.10 Validity of Resolution**

- 7.10.1 All resolutions passed at any General Meeting for which due notice has been given shall be binding on all Members.

## **8. THE COUNCIL BOARD**

### **8.1 Membership**

8.1.1 The Council Board of not more than fifteen (15) members shall consist of:-

- (a) a Chairman;
- (b) a Vice Chairman;
- (c) a Treasurer;
- (d) a Secretary; and
- (e) up to eleven (11) Ordinary Council Board members.

### **8.2 Election/ Re-election of Members of the Council Board**

8.2.1 Council Board members in accordance with Clause 8.1.1. shall be elected by the Members at the General Meeting and shall serve a term of two (2) years from their respective date of election.

8.2.2 Each Member entitled to vote and voting thereat may cast a number of votes not exceeding the number of vacant positions but no Member may cast more than one (1) vote in favour of any candidate.

8.2.3 Any nomination for election or re-election as a Council Board member must be in writing in such form as the Council Board may determined and to be signed by the candidate, the proposer and the seconder. A retiring Council Board member shall be eligible for re-election.

8.2.4 Each candidate standing for election/re-election must:

- (a) be proposed by a Member; and
- (b) be seconded by another Member,

both of which must be entitled to vote at the meeting to elect that Council Board member at the time of nomination.

8.2.5 Each candidate, to be eligible to stand for election as a Council Board member must be the appointed representative of the Member.

8.2.6 The nomination must be lodged with the Secretary not later that fourteen (14) days before the date of the General Meeting.

- 8.2.7 Any Council Board member may with the approval of the Council Board, appoint any other person from his Organisation to be an Alternate Council Board member in his place during such period as he thinks fit. Any Alternate Council Board member while he holds the office shall be entitled to notice of meetings of the Council Board and to attend and vote thereat, accordingly and to exercise all powers of the appointing Council Board member in his place save that the Alternate Council Board member of the Chairman shall not be entitled to chair any meetings of the Council Board or of any General meeting.
- 8.2.8 Any Alternate Council Board member appointed shall *ipso facto* vacate the office if the Organisation to which the appointing Council Board member is attached ceases to be a Member or if the appointing Council Board member removes the Alternate Council Board member from his office.
- 8.2.9 Any appointment or removal under this Clause shall be effected by notice in writing under the hand of the Council Board member making the same.

### **8.3 Retirement/Resignation**

- 8.3.1 Each Council Board member who is elected at an Annual General Meeting of the Association may retire from the Council Board upon giving notice in writing to the Council of his intention and such retirement/ resignation takes effect upon the expiration of the notice or its earlier acceptance.

### **8.4 Removal and Replacement of Council Board Members**

- 8.4.1 The Association may by a resolution by majority vote of which special notice has been given remove any Council Board member before the expiration of his period of office, notwithstanding any provisions in these Rules.
- 8.4.2 The Association may by a resolution by majority vote appoint another person in his stead and the person so appointed will hold office only until the next following Annual General Meeting.
- 8.4.3 The Council Board may also appoint any person to the Council Board to fill a casual vacancy.

### **8.5 Remuneration**

- 8.5.1 Council Board members will not receive any remuneration for his service in his capacity as a member of the Council Board.

### **8.6 Council Meetings**

- 8.6.1 The Council Board shall meet at least four (4) times a year, the first within the first two (2) months of the General Meeting at which it was elected, on such dates, times and places as the Council Board shall fix.
- 8.6.2 The Council Board may meet together for the despatch of business, adjourn and otherwise regulates its meetings as it thinks fit.

- 8.6.3 A Council Board member may at any time, and the Secretary must on the requisition of a Council Board member, summon a meeting of the Council Board.
- 8.6.4 Except where contrary or inconsistent with the resolutions laid down by the General Meeting, the decisions of the Council Board are binding on all members unless and until countermanded by a resolution of a General Meeting.
- 8.6.5 The Secretary shall cause to be sent to every member of the Council Board, notice of each meeting of the Council Board, together with an agenda for the meeting, at least seven (7) days before it is due to be held. A meeting shall, notwithstanding that it is called by shorter notice than is required by these Rules, be deemed to be duly called if it is so agreed by all the members of the Council Board entitled to attend and vote thereat.
- 8.6.6 Fifty percent (50%) Council Board members shall constitute a quorum at a meeting of the Council Board. If there is no quorum present, the meeting must stand adjourned to the same day in the following week, and if there is no quorum present at such subsequent meeting, the meeting must be dissolved.
- 8.6.7 In the event there is vacancy in the Council Board where the number falls below the number fixed pursuant Clause 8.6.6 as the quorum for meeting, the continuing Council Board members may act only for the purposes of:
- (a) increasing the number of Council Board members to such number; or
  - (b) summoning a General Meeting of the Association.
- 8.6.8 Any Council Board member may participate at a meeting of Council Board by way of telephone and video conferencing or by means of other communication equipment whereby all persons participating in the meeting are able to hear each other and be heard for the entire duration of the meeting in which event such Council Board member shall be deemed to be physically present at the meeting. A Council Board member participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the Council Board members attending the meeting provided that at least one (1) of the Council Board member present at the meeting was at such place for the duration of that meeting. All information and documents must be made equally available to all participants prior to at/or during the meeting.
- 8.6.9 The Chairman shall preside at all meetings of the Council Board and in his absence by the Vice Chairman. If neither the Chairman nor the Vice Chairman shall be present within ten (10) minutes after the time appointed for holding the meeting, the Council Board members present shall choose one of their members to chair the meeting.
- 8.6.10 Voting on all motions at meetings of the Council Board shall be by show of hands, unless directed otherwise by the chairman of the meeting.

- 8.6.11 Questions arising at any meeting of the Council Board must be decided by a special majority of votes of no less than three-fourths (3/4) of those present and voting.
- 8.6.12 Except as otherwise provided, a resolution in writing (which may consist of several documents in like form) which has been circulated to all Council Board members and which is signed by those Council Board members indicating that they are in favour of the resolution shall be as valid and effectual as if it has been passed at a meeting duly convened and held, provided that no such resolution shall be valid and effectual unless and until it has been signed by a majority of no less than three-fourths (3/4) of the Council Board members. Such resolution is deemed to be passed at the time which the resolution was last signed by a Council Board member.
- 8.6.13 The expression 'in writing' and 'signed' include approval by the Council Board members via e-mail or any other form of electronically communicated scanned copy. The expression 'Council Board member' in this Rule does not include a Council Board member which at the meeting of the Council Board is not entitled to vote on the resolution.
- 8.6.14 The Council Board must cause minutes to be made:
- (a) of all appointments of office-bearers;
  - (b) of the names of members of the Council Board present at all meetings of the Association; and
  - (c) of all proceedings at all meetings of the Association and of the Council Board.
- 8.7 Sub-Committee**
- 8.7.1 The Council Board may appoint among its members or its nominated representatives to be member of sub-committee for any purpose which from time to time it may think desirable.
- 8.7.2 The Council Board may delegate to any Sub-committee such powers as it may think fit. Any Sub-committee must in the exercise of powers so delegated conform to any regulations that may be imposed on it by the Council Board.
- 8.7.3 A Sub-committee may meet and adjourn any meeting as it thinks proper.
- 8.7.4 Motion on all motions at meetings of Sub-committees shall require only a simple majority of those members present and voting.
- 8.7.5 The quorum necessary for the transaction of the business of the Sub-committee is three (3) Sub-committee members and must consist the chairman of the Sub-committee.
- 8.7.6 The Chairman of the Association should not be the chairman of the Sub-committee.

## **8.8 Advisory Panel**

- 8.8.1 The Council Board may constitute an Advisory Panel which shall consist of a select group of subject matter experts from the industry and/or professionals to provide strategic advice to the Council.
- 8.8.2 The Council Board will determine the terms of reference for the Advisory Panel, membership, and any other governance arrangements necessary or convenient for the good order and operation of the Advisory Panel.

## **8.9 Executive Officer**

- 8.9.1 The Council Board may appoint an Executive Officer and be authorised to fix his remuneration.
- 8.9.2 The Executive Officer shall be vested with the powers to manage and conduct the day to day management of the Association and subject to directions and restrictions as the Council Board may impose from time to time.
- 8.9.3 The Executive Officer shall be entitled to attend all meetings of the Council Board and to receive all notices convening such meetings. The Executive Officer will be part of the Council Board members and shall be entitled to attend and vote at all meetings.

## **8.10 Adviser**

- 8.10.1 The Council Board may appoint an Adviser and be authorised to fix his remuneration.
- 8.10.2 The Adviser shall be entitled to attend all meetings of the Council Board and to receive all notices convening such meetings. The Adviser will be part of the Council Board members and shall be entitled to attend and vote at all meetings.

## **9. POWER AND DUTIES OF THE COUNCIL BOARD MEMBERS**

- 9.1 The duties of office bearers shall be as follows :-

(a) The Chairman

The Chairman shall preside at all General Meetings and meetings of the Council Board and shall be responsible for the proper conduct of all meetings. He shall have a casting vote and shall sign the Minutes of each meeting when they are approved. He shall together with the Vice Chairman, Secretary and Treasurer operate the Association's bank accounts.

(b) The Vice Chairman

The Vice Chairman shall deputise for the Chairman during the latter's absence.

(c) The Secretary

(i) The Secretary shall conduct the business of the Association in accordance with its rules and shall carry out the instructions of the General Meeting and the Council Board. He shall be responsible for conducting all correspondences and keeping all books, records and documents of the Association other than the accounts and financial records. He shall attend all meetings and record the proceedings. He shall, together with the Chairman, Vice Chairman and Treasurer operate the Association's bank accounts.

(ii) The Secretary shall cause minutes to be made of the names of the members of the Council Board present at each meeting of the Council Board and Members at each General Meeting, all resolutions passed at each meetings and all elections and appointments of chairman and sub-committee and other appointments made by the Council Board.

(iii) The Secretary shall maintain the Register of Members.

(d) The Treasurer

The Treasurer shall be responsible for the finances of the Association. He shall keep books of account of all its financial transactions and shall be responsible for their correctness. He shall, together with the Chairman, or Vice Chairman or Secretary operate the Association's bank accounts.

(e) The Ordinary Council Board Members

The Ordinary Council Board Members shall assist the Council Board in carrying out the objectives of the Association.

9.2 Subject to the Act, the Council Board shall also be responsible for managing the business and general affairs of the Association and shall have the following powers and duties in addition to any powers and duties conferred elsewhere in these Rules:-

(a) to exercise all such powers of the Association and do on behalf of the Association all such acts as the Council Board considers necessary or expedient for carrying into effect the objects of the Association as may be exercised and done by the Association and as are not required by statute or by these Rules to be exercised by the Association in General Meeting, subject to nevertheless to any regulations of these Rules and to the provisions of the statutes for the time being in force and effecting the Association and to such regulations (being not inconsistent with the aforesaid regulations or provisions) as may be prescribed by the Association in

General Meeting. Provided however that no such regulations made by the Association shall invalidate any prior acts of the Council Board which would have been valid if such regulation has been made;

- (b) to decide on all matters affecting or concerning the Association or any of its Members;
- (c) to guide overall strategy and objectives of the Association;
- (d) to delegate to Sub-Committee such of the powers and duties of the Council Board, including the power to regulate its own procedures and to appoint additional Sub-committee members and to delegate powers and duties to each Sub-committee as it shall think fit, provided that the powers so delegated are specified in each case;
- (e) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Association or its officers or otherwise concerning the affairs of the Association and also to compound or allow for payment and satisfaction of any debts due to and any claims or demands by or against the Association and to refer any claims or demands by or against the Association to arbitration and to observe and perform the award;
- (f) to invest or deal with any of the monies of the Association not immediately required and in such manner as may be permitted by law for the investment of trust funds;
- (g) to make such policies, procedures, bye-laws or regulations not inconsistent with these Rules, as in the opinion of the Council Board are necessary or desirable for the proper control, verifications, administration and management of the Association's finances, affairs, interests, effects and assets and for the convenience, comfort and well-being of the Members of the Association and to amend or rescind from time to time any such bye-law, rules and regulations;
- (h) to promulgate and establish regulations, standards, code of conducts, rules for disciplinary proceedings and bye-laws to regulate the professional conduct of its Members;
- (i) to make and enforce Rules for the administration and control of the Association;
- (j) to appoint any delegate(s) to represent the Association for any purpose with such powers as the Council Board may think fit;
- (k) by power of attorney, appoint any person to be the attorney of the Association for such purposes and with such powers, authority and discretion for such period and subject to such conditions as it may think fit;
- (l) to appoint and dismiss advisers or such other persons, who may be invited to attend the meetings of the Council Board or Sub-committees but shall not be entitled to vote at such meetings;



(m) to authorise any Member to enter into and execute any contract, undertaking or other document on behalf of the Association; and

(n) to vest any part of its power and/or to delegate any part of its duties to the Executive Officer and such number of persons (who need not be a Member) as may be appointed from time to time by the Council Board.

## **10. FINANCIAL PROVISIONS**

### **10.1 Financial Year**

10.1.1 The financial year of the Association shall be from 1<sup>st</sup> January to 31<sup>st</sup> December.

### **10.2 Use of Funds of the Association**

10.2.1 The funds of the Association may be expended for any purpose for the carrying out of the objects of the Association, including the expenses of its administration and the audit of its accounts, but shall on no account be used to pay the fine of any Member who may be convicted in a court of law.

### **10.3 Books of Account**

10.3.1 The Council Board shall cause proper books of account to be kept in accordance with Malaysian Accounting Standards Board (MASB) with respect to:

- (a) All sums of money received and expended by the Association and the matters in respect of which receipts and expenditures shall take place;
- (b) All sales and purchases of goods by the Association; and
- (c) The assets and liabilities of the Association.

10.3.2 Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of affairs of the Association and to explain its financial transactions. The books of account shall be kept at the registered place of business of the Association or at such other place or places as the Council Board shall think fit and shall be made available for inspection by the members of the Council Board at reasonable times. Copies of every profit and loss account and balance sheet made up annually to a date not more than five (5) months before the date of the Annual General Meeting must be distributed to Members.

### **10.4 Inspection of Books of Account by Members**

10.4.1 The Council Board shall, from time to time, determine at what time and place and under what conditions or regulations the accounts and books of the Association shall be open for inspection to Members not being members of the Council Board.

## **10.5 Financial Provisions**

10.5.1 The Treasurer may hold a petty cash advance not exceeding RM1,000.00 (Ringgit Malaysia One Thousand Only) at any one time. All money in excess of this sum shall within seven (7) days of receipt be deposited in an account opened with a licensed financial institution approved by the Council Board. The bank account shall be in the name of the Association.

10.5.2 All cheques or withdrawal notices on the Association's account shall be signed jointly by one from Group A and one from Group B.

<b><u>Group A</u></b>	<b><u>Group B</u></b>
Chairman	Treasurer
Vice Chairman	Secretary

10.5.3 No expenditure exceeding RM5,000 at any one time shall be incurred without the prior sanction of the Association. Any expenditure not exceeding RM5,000 at any one time shall be approved by any two (2) of the following Council Board members:

- (a) the Chairman;
- (b) the Vice Chairman;
- (c) the Treasurer;
- (d) the Secretary.

## **11. AUDIT**

11.1 Subject to section 26 of the Act, once at least in every year, the accounts of the Association shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one (1) or more properly qualified auditor or auditors as soon as possible after the end of each financial year. The auditor is required to audit the accounts for any period within the tenure of its office and to make a report to the Council Board.

## **12. TRUSTEES**

12.1 The Trustees of the Association shall not be more than three (3). The Trustees must be appointed from the nominated representatives of Ordinary Members at a General Meeting by a resolution of a majority of the Members present and entitled to vote thereat.

12.2 They shall be vested in them all immovable properties whatsoever belonging to the Association upon execution of a Deed of Trust.

12.3 The Trustees shall not sell, withdraw or transfer any of the property of the Association without the consent and authority of a General Meeting of Members.

- 12.4 A Trustee may be removed from office by a General Meeting on the grounds that, owing to ill health, unsoundness of mind, absence from the country or for any other reasons, he is unable to perform his duties or unable to do so satisfactorily. In the event of the death, resignation or removal of a trustee the vacancy shall be filled by a new Trustee appointed by a General Meeting.

### 13. DEFINITIONS AND INTERPRETATION

#### 13.1 Definitions

- 13.1.1 In these Rules unless there be something in the subject or context inconsistent therewith:

“**Act**” means the Societies Act, 1966 and any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other enactment for the time being in force concerning societies and affecting the Association and any reference to any provision of the Act is to that provision so modified, amended or re-enacted or contained in any such subsequent enactment;

“**Association**” means the registered society governed by these Rules known as Majlis Pelabur Institusi Malaysia (Institutional Investors Council Malaysia);

“**Chairman**” means the Council Board representative appointed by the Council Board to perform the duties of chairman of the Association;

“**Code**” means the Malaysian Code for Institutional Investors;

“**Council Board**” means Board of the Council, which could also mean Board of the Association and can be interchangeably used;

“**Council Board member**” means member of the Council Board for the time constituted in accordance with Clause 8.1;

“**Day**” means calendar day;

“**Executive Officer**” means the Executive Officer appointed in accordance with Clause 8.9.1;

“**General Meeting**” means a general meeting, whether annual or extraordinary of the Ordinary Members of the Association who by these Rules are entitled to vote at such general meeting;

“**Month**” means calendar month;

“**Ordinary Member**” means a member which is for the time being a regular member of the Association who is entitled to vote at General meetings;

**“Organisation”** means any partnership, corporation, trust, unincorporated organisation or association;

**“Payment Date”** means the date on which annual subscription becomes due and payable;

**“Register of Members”** means the register of Members of the Association;

**“Registrar”** means the Registrar of Societies;

**“Rules”** means these rules (from time to time amended or modified in accordance with the provisions herein contained);

**“Secretary”** means the secretary or secretaries appointed under these Rules and shall include the deputy or assistant secretary and person appointed to perform the duties of the Secretary temporarily;

**“Sub-committee”** means the sub-committee of the Association for the time being constituted under these Rules;

**“Treasurer”** means the treasurer appointed under these Rules to perform the duties of the Treasurer;

**“Trustee”** means the trustee appointed in accordance with Clause 12.1; and

**“Year”** means a calendar year.

## **13.2 Interpretation**

13.2.1 Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, electronic and digital prints and other modes of representing or reproducing words in a visible form.

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

13.2.3 Words importing the masculine gender only shall include the feminine gender.

## **14. PATRON**

14.1 The Council Board shall if it deems fit and necessary appoint qualified persons to be the Patron of the Association. The person appointed must give his consent in writing.

## **15. PROHIBITION**

- 15.1 No press release may be made in the name of the Association or any group of members of the Association except: (i) by the Chairman, or; (ii) by the Secretary when authorised by the Chairman or by the Council Board, or (iii) by a member of the Council who shall have been previously appointed by the Council to serve as its Public Relations Officer, provided that all such releases or communications are previously approved by the Chairman.

## **16. AMENDMENT OF CONSTITUTION**

### **16.1 Amendment of Rules**

- 16.1.1 Subject to Clause 7.3, the name of the Association shall not be altered or revoked nor a new name introduced unless at least twenty-one (21) days' notice of such intention has been given to all Ordinary Members and a resolution in favour of such alteration or new name has been passed by a majority of Three-Fourths (3/4) of those present and entitled to vote at a General Meeting convened for such purpose.

### **16.2 Effective Date of Amendment**

- 16.2.1 The change or amendment approved under Clause 16.1.1 shall take effect upon the approval of the same by the Registrar.

### **16.3 Filing of Amendment with Registrar**

- 16.3.1 Any amendment to the name of the Association shall be filed with the Registrar within sixty (60) days of being passed by the Association at General Meeting.

## **17. DISSOLUTION**

### **17.1 Dissolution of Association**

- 17.1.1 The Association may be dissolved at any time by a resolution of a General Meeting of the Association and passed by a majority of Three-Fourths (3/4) of the Ordinary Members present through its corporate representative(s) or through its proxy present and voting.

### **17.2 Discharge of Liabilities**

- 17.2.1 Liabilities legally incurred on behalf of the Association shall be fully discharged and the remaining funds disposed in such manner as may be decided by the Association at General Meeting.

### **17.3 Appropriation of Assets**

17.3.1 Upon the dissolution of the Association there shall remain, after the satisfaction of all its debts and liabilities, any property or assets, such as surplus, property or assets may be disposed in such manner as may be decided by the Association at General Meeting.

### **17.4 Effective Date of Dissolution**

17.4.1 The dissolution of the Association approved under Clause 17.1 shall take effect on the approval of the same by the Registrar.

### **17.5 Filing of Dissolution with Registrar**

17.5.1 The dissolution of the Association shall be filed with the Registrar within fifty (50) days of the resolution being passed by the Association at General Meeting.

## **18. LOGO**

18.1 The Association shall adopt a logo bearing the initials of the Association "IIC" with the Association's full name under the initials as follows:-



18.2 The logo is to symbolise the initials of the Association in a symmetrical form signifying the close relationship of institutional investors and mutual respect for each other.

18.3 The colour orange symbolises the strength and determination of institutional investors in promoting aspirations of the Association while the blue colour symbolises unity among the Association members and institutional investors in general to reinforce and strengthen the institutional investor landscape in Malaysia.

## **19. GENERAL**

### **19.1 Declaration of Interest**

19.1.1 A member of the Council Board or any Sub-committee of the Association, or any official or employee shall declare his interest in any matter in which he is interested other than as a member of the Council Board, Sub-committee, official or employee.

## **19.2 Vacation of Office**

19.2.1 The office of a member of the Council Board or any Sub-committee or official shall be vacated automatically if:

- (a) He ceases to be the appointed representative of the Member, or if the Member's membership is suspended;
- (b) By notice in writing to the Association he resigns his office;
- (c) He ceases to hold office by a resolution duly passed at a General Meeting of the Association;
- (d) He is absent from three (3) consecutive meetings of the Council Board or any Sub-committee of which he is a member without reasonable cause, as determined by the Council Board.

## **19.3 Validity of Acts**

19.3.1 All acts done by any meeting of the Council Board, any Sub-committee appointed by the Council Board or any duly appointed official shall, notwithstanding that there was some defect in the appointment or election of any member of the Council Board, Sub-committee or Member or representative of an Ordinary Member acting as aforesaid or that they or any of them were disqualified, be as valid as if every Member or representative of an Ordinary Member had been duly appointed or elected and was qualified as a Council Board member, Sub-committee member or official.

## **19.4 Application of Assets of the Association**

19.4.1 The income and property of the Association shall be applied solely towards the promotion of the objectives of the Association as set out in the Rules and no portion thereof shall during the existence of the Association be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the persons or Organisations who at any time are or have been Members of the Association or any of them provided that nothing herein contained shall prevent the payment in good faith of remuneration to any official or servant of the Association or to any Member thereof or any person in return for services actually rendered.

## **19.5 Supply of Copies of Rules**

19.5.1 Every Member of the Association is entitled a copy of the Rules of the Association.

**END**