



SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA

GUIDELINES

Incorporation of a Company Limited By Guarantee under Section 24 of the Companies Act 1965

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1. PREFACE

1.1 Provisions of the Act

- 1.1.1 As stipulated by the Companies Act 1965, the proposed company must be restricted to purposes or activities to provide recreation or amusement; or to promote commerce, industry, art, science, religion, charity, pension or pension or retirement schemes or other objects beneficial to society.
- 1.1.2 The proposed company must use its profits and other income for its purposes and is prohibited from paying dividends to its members [section 24(1)/(2) of the Companies Act 1965].
- 1.1.3 The companies incorporated for the aforesaid purposes cannot own any land without a licence from the Minister [section 19(2) of the Companies Act 1965].
- 1.1.4 Companies with approval under section 24 are required to obtain the approval of the Honourable Minister prior to alteration of the company's Memorandum and Articles of Association [section 24(4) of the Companies Act 1965].
- 1.1.5 Companies with approval under section 24 are also subject to the terms and conditions of the licence under section 24(3) of the Companies Act 1965. The terms and conditions of licence issued since November 2000 are as follows:
- * the company is prohibited from making any change or alteration to its Memorandum and Articles of Association without the prior approval of the Minister of Domestic Trade and Consumer Affairs Malaysia (Minister);
 - * the company is prohibited from appointing new directors without the prior approval of the Minister;
 - * the company must ensure that that none of its members or directors use the company or its financial resources to carry out any political or politically motivated or unlawful activities;
 - * the company must use its profits and other income for the purposes stated in the company's object;
 - * the company cannot request for any contributions or donations or make any collection of money from the public without the prior approval of the Minister;
 - * the company cannot own or dispose of land ownership without the prior approval of the Minister;
 - * the company is not allowed to incorporate subsidiaries and is not allowed to hold more than 49% shares in another company;
 - * the company is required to collect the total amount pledged by prospective donors within 6 months after its incorporation; and
 - * the company must also at all times comply with the provisions recorded in the Memorandum and Articles of Association of the Company apart from the terms and conditions above.

The licence can be revoked if the company fails to comply with any of the terms and conditions stated above.

2. CONSIDERATION POLICY

2.1 Founder/Director

- 2.1.1 The Founder/Director must be a person with good background. He must not be a disqualified person under the Companies Act 1965.
- 2.1.2. The Founder/Director must list the information such as his biodata profile, qualifications and experience respectively according to the format provided.
- 2.1.3 The payment of salary or allowance to its director or officer must be paid at a reasonable rate according to their respective workload.

2.2 Powers of the Company

- 2.2.1 The company cannot request for donations from the public without the approval of the Minister.
- 2.2.2 None of the provisions of the Memorandum and Articles of Association can be altered without the approval of the Minister.
- 2.2.3 The draft Memorandum and Articles of Association of the proposed company must follow the model memorandum and articles of association prepared by the Registrar of Companies. Any changes or additions must be approved by the Registrar.
- 2.2.4 After the company considers the reasons for the relevant changes or addition.
- 2.2.5 The appointment of a new director must obtain the prior approval of the Minister.
- 2.2.6 The company cannot own or dispose of land ownership without the prior approval of the Minister.
- 2.2.7 The company is not allowed to incorporate subsidiaries and is not allowed to hold more than 49% shares in another company.
- 2.2.8 The foundation/company's board of directors and members must always ensure that the company or the company's funds is not used for any form of political activities or unlawful purposes or activities that will disrupt/disturb the peace, welfare, national security and public interest.

3. APPLICATION AND CONSIDERATION PROCEDURES

3.1 Application Procedure

- 3.1.1 To facilitate the application process, the applicant is advised to obtain the services of a qualified company secretary.
- 3.1.2 The application for name approval must be done using the prescribed Form 13A together with the following documents:
- (i) A detailed explanation of the reasons why the company intends to use the word 'Foundation' / 'Institute' / 'Company' in its name and to omit the use of the word 'Berhad' under section 24(1) of the Companies Act 1965;
 - (ii) Description of the reasons to incorporate a company under the Companies Act 1965 instead of a society under the Societies Act 1966;
 - (iii) A detailed explanation of the activities that will be conducted;
 - (iv) A statement on the company's Forecast Income and Expenditure for two (2) years after incorporation;
 - (v) A total contribution of RM1 million must be shown in the first year of the Forecast Income and Expenditure;
 - (vi) The company is required to obtain a contribution of RM1 million as its starting capital to implement and to make a success of the company's activities;
- (a) If the contributor / donor comprises of a company / business / organisation, the following supporting documents / letters must be submitted:
- (i) official letter signed by the authorised officer as follows, i.e.:
 - company – company director
 - business – business owner / partners
 - organisation – Senior Management officerState the full name and designation of the signatory.
 - (ii) a copy of the latest audited financial statement (if applicable) of the company / business / organisation. Government bodies are exempted from this condition; and
 - (ii) a copy of the company directors' resolution / resolution of the meeting of the organisation's Committee in relation to the agreement / approval of the relevant contribution. A copy of an extract of the resolution must be certified as true by one of the directors and secretary.
- (b) If the contributor / donor comprises of an individual, the following supporting documents must be submitted:
- (i) a letter of confirmation or undertaking of financial contribution;
 - (ii) please state the full name, identity card number and full address and signature of the donor; and

- (iii) a copy of bank statement, investment certificates or any documents which will show the individual's ability to contribute.

[For your information, item (b)(iii) above is considered confidential. The said documents will ONLY be used for the purpose of supporting the relevant application.]

- (c) All official letters of the donor / contributor must be addressed to the Companies Commission of Malaysia and state the amount of contribution and the period of benevolence.
- (d) The company must ensure that all the amounts of money pledged by the prospective contributors are collected within 6 months after its incorporation. Otherwise, the licence will be revoked.
- (e) A statement to confirm if the company is associated with any local or foreign bodies or organisations or has the intention to takeover any bodies or societies. If applicable, please forward the letter of agreement to appoint the company as a Country Affiliate in Malaysia.
- (f) A letter of support from a Government agency / letter of approval for the use of the proposed name (if applicable).
- (g) A biodata list of the directors to be appointed / proposed organiser stating their experience and qualifications in the field of charity to be involved in.
- (h) A letter of agreement for the appointment from the director named in the Memorandum and Articles of Association.
- (i) A copy of the draft Memorandum and Articles of Association for the proposed Foundation / Institute / Company as well as the inspection and application fee amounting to RM300.00 has to be made payable to the Companies Commission of Malaysia.

3.2 Consideration Procedure

- 3.2.1 The first stage of consideration involves the preparation of papers for the approval of the Minister on the matters of name approval and the licence for the omission of the word 'Berhad', for company names under section 24 of the Companies Act 1965.
- 3.2.2 The applicant will be informed of the Minister's decision to approve or reject the application.
- 3.2.3 If the application is approved, the applicant is required to submit:
 - (i) a complete, signed and stamped set of the Memorandum and Articles of Association; and
 - (ii) Form 48A which has been signed by all the founders and directors;
 - (iii) Form 6; and
 - (iv) application fees of RM1,000.00.

[Together with the documents above, the applicant must also attach a copy of the letter for name approval, a copy of the Minister's approval, Appendix A, a declaration to be Company Secretary, and a copy of the identity card of the directors/founders.]

3.2.4 Once all the above documents are in order and in accordance with procedure, the Certificate of Incorporation for a Company (Form 8) will be issued.

4. FORMAT OF THE DIRECTOR/FOUNDER'S BIODATA

Name:

Identity Card No.:

Date of Birth:

Residential Address:

Qualifications:

Experience:

Others:

5. GUIDELINE MODEL OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION

“MODEL”

Memorandum of Association
&
Articles of Association

[GUIDELINES]

1. Words, sentences or paragraphs in the contents and which are highlighted are for selection, where appropriate.
2. The title for the post of company affairs management, which is on par with the status of a director, must be appropriate with the name of the company, as per the example stated below.
3. Title:
 - (i) “**Trustees**” and “**Board of Trustees**” are appropriate for companies with a name such as “**Institute**”, “**Fund**”, “**Foundation**”;
 - (ii) “**Director**” and “**Board of Directors**” are appropriate for companies with a name such as “**Academy**”, “**Centre**”, “**Memorial**”, “**Council**” as well as “**Institute**”; and
 - (iii) “**Member of the Council/Council Member**” and “**Council**” are appropriate for companies with a name such as “**Chamber**”.

6. MODEL MEMORANDUM

['MODEL MEMORANDUM']

THE COMPANIES ACT, 1965

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

OF

(COMPANY NAME)

1. The name of the company is [.....] (hereinafter referred to as the
[Foundation/Institute/Chamber/etc]

2. The registered office of the Company will be situated in Malaysia.

3. The objects for which the Company is established are :-
[Set out clearly the purposes which the company propose to pursue at the commencement of the clause]-

(-)

(-) **[Specific to 3 objects]**

(-)

[The powers of the company under the objects clause shall be limited to the powers set out below]-

(-) To receive any gift whether moveable or pecuniary and whether or not subject to any trust for anyone or more of the objects of the
...**[Foundation/Institute/Chamber/etc]** ...

(-) To take such steps by personal appeals only as may from time to time be deemed expedient for the purpose of procuring contributions to the funds of the ...**[Foundation/ Institute/Chamber/etc]**... in the form of donations, grants, loans, legacy, subscriptions or otherwise.

(-) To purchase, take on lease or otherwise acquire for the purposes of the ...
[Foundation/Institute/Chamber/etc] ... and to hold any estates, lands, buildings, easements or other interests in movable or immovable property which may be deemed necessary or convenient for any of the purpose of the
.... **[Foundation/Institute/Chamber/etc]**PROVIDED that the ...
[Foundation/Institute/Chamber/etc] ... shall not acquire, charge mortgage or dispose of any land without the consent of the Minister charged with the responsibility for companies.

- (-) To construct, maintain and alter any houses, building or works necessary or convenient for the purpose of the **[Foundation/Institute/Chamber/etc]**
- (-) To let on lease or on hire the whole or any part of the movable property of the ... **[Foundation/Institute/Chamber/etc]** ... on such tenure as the ... **Board/Council/etc]** .. shall determine.
- (-) To purchase or otherwise acquire, erect, maintain, reconstruct, and adopt any offices, workshops, mills, plants, machinery and other things found necessary or convenient for the purpose of the ... **[Foundation/Institute/Chamber/etc]** ...
- (-) To purchase acquire, hold, sell and deal in shares, stocks, debentures stocks, bonds, obligations, and securities issued or guaranteed by the Malaysian Government, State Government or public body or authority.
- (-) To sell, dispose of, or transfer any property and undertaking of the ...**[Foundation/Institute/Chamber/etc]** ... or any part thereof, for any consideration which the ...**[Foundation/Institute/ Chamber/etc]** ...may see fit to accept.
- (-) To accept stock or share, mortgage debentures of other securities of any company in payment or payment for any services rendered for any sale made to or debt owing from any such company.
- (-) To draw, accept and make, and to endorse, discount and negotiate, bills of exchange, promissory note, and other negotiable instruments.
- (-) To invest in Malaysia the money of the**[Foundation/Institute/ Chamber/etc]** ... not immediately require in such manner as from time to time may be determined, PROVIDED that the**[Foundation/Institute/ Chamber/etc]**... shall not invest in or incorporate any subsidiary company.
- (-) To engage and appoint and pay such officers, clerks, agents, servants or persons to perform such duties or services for the proper administration and management of the ...**[Foundation/Institute/ Chamber/etc]**... and to remove and suspend the same.
- (-) To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment, and administration and management of the ...**[Foundation/Institute/Chamber/ etc]**.... and to remunerate any person or persons for services rendered thereof in cash or in any other manner allowed by law.
- (-) To borrow and raise money in such manner as the ...**[Foundation/Institute/ Chamber/etc]** may think fit.
- (-) To do all or any of the matters hereby authorised in any part of Malaysia either alone or in conjunction with, or as trustees or agents, for any company association or person, and by or through trustees or agents.
- (-) Generally to do all such other lawful things as are incidental or conducive to the attainment of the above objects and the exercise of powers of the ...**[Foundation/Institute/ Chamber/etc]**.... :

PROVIDED that :

- (i) the provisions of the Third Schedule of the Companies Act shall not apply to the **...[Foundation/Institute/Chamber/etc]...** and the foregoing provisions of this Paragraph shall be read and construed without reference to the provisions of that Schedule; unless expressly included in this Memorandum and Articles of Association with the approval in writing of the Minister charged with the responsibility for companies; and
 - (ii) the **...[Foundation/Institute/ Chamber/etc]...** 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 Company would make it a Trade Union within the meaning of the Trade Union Ordinance.
4. There shall be a **...[Board of trustees or directors/members of the Council/etc]....** for the management of the affairs of the **...[Foundation /Institute/Chamber/etc]...** (hereinafter referred to as **...["the Board/Council/etc"]....**)
 5. The income and property of the **...[Foundation/Institute/ Chamber/etc]...** whencesoever derived shall be applied solely toward the promotion of the objects of the **...[Foundation/Institute/ Chamber/etc]...** as set forth in this Memorandum of Association 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 **...[Foundation/Institute/ Chamber/etc]...** **PROVIDED** that nothing herein shall prevent the payment, in good faith, of remuneration to any officer or servant of the **...[Foundation/Institute/Chamber/etc]...** in return for any professional services rendered to the **...[Foundation/Institute/Chamber/etc]...** nor prevent the payment of interest at the current bank rate on any loan advanced by members of the **...[Foundation/Institute/Chamber/ etc]...**to promote, the object thereof or reasonable and proper rent for promises demised or let by any member of the **...[Foundation/Institute/Chamber/etc]...**; but so that no member of the **...[Board/Council/etc]....** shall be appointed to any salaried office of the **...[Foundation/Institute/Chamber/etc]...**paid by fees, and that no remuneration of the benefit in money's worth shall be given by the **...[Foundation/Institute/Chamber/etc]...**to any member of the **...[Board/Council/etc]....**except repayment of out-of-pocket expenses of the **...[Foundation/Institute/Chamber/etc]...** as aforesaid.
 6. No addition, alteration or amendment shall be made to or in provisions contained in the Memorandum or Articles of Association for the time being inforce unless the same shall have been previously submitted to and approved by the Minister charged with the responsibility for companies.
 7. No person shall be appointed as **...[trustee/director/member of the Council/etc]...** of the **...[Foundation /Institute/Chamber/etc]...** unless his appointment has been approved by the Minister charged with the responsibility for companies.
 8. The Board and the members of the **...[Foundation/Institute/Chamber/etc]...**shall always ensure that the Foundation or the fund of the **...[Foundation/Institute/Chamber/etc]...**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.

9. *The Foundation shall apply at least % of all income and donations received or whatever percentage approved by the Director General of Inland Revenue for non-commercial purpose and solely towards the promotion of the objects of the Foundation as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise howsoever by way or profit, to the members of the Foundation. PROVIDED that nothing herein shall prevent the payment, in good faith of the remuneration to any officer or servants of the Foundation but so that no member of the Committee shall be appointed to any salaried office of the Foundation or any office of the Foundation paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Foundation to any member of the committee except repayment of out-of pocket expenses.]*

[Clause 9 is the requirement of the Director General of Inland Revenue for application of tax exemption.]

10. The liability of the members is limited.
11. If upon the winding up or dissolution of the ...**[Foundation/Institute/ Chamber/etc]**...there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members if the ...**[Foundation/Institute/ Chamber/etc]**....., but shall be given or transferred to some other institution or institutions or organisation having objects similar to the objects of the ...**[Foundation/Institute/Chamber/etc]**... and having been approved by the Director-General of Inland Revenue, Malaysia at or before the time of dissolution and if and so far as effect cannot be given to the aforesaid provision, to some other Funds of similar organisation or some charitable object approved by the Director-General of Inland Revenue, Malaysia.
12. Every member of the ...**[Foundation/Institute/Chamber/etc]**... undertakes to contribute to the assets of the ...**[Foundation/Institute/ Chamber/etc]**... in the event of the ...**[Foundation/Institute/ Chamber/etc]**...being wound up during the time that he is a member or within one year after he ceased to be a member for payment of debts and liabilities of the ...**[Foundation/Institute/Chamber/etc]**... contracted before he and for the adjustment, of rights of the contributories amongst themselves, such amount as may be required not exceeding **Ringgit Malaysia One Hundred (RM100.00)**.
13. True accounts shall be kept of the sums of money received and expended by the ...**[Foundation/Institute/Chamber/etc]**... and the matter in respect of which such receipt, and expenditure takes place, and of the property, credits and liabilities of the ...**[Foundation/ Institute/Chamber/etc]**...and subjects to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the ...**[Foundation/Institute/ Chamber/etc]**...for the time being, shall be open for the inspection of the members. Once at least in every calendar year the accounts of the ...**[Foundation/Institute/Chamber/etc]**... shall be examined and the correctness of the balance sheet ascertained by one or more qualified auditor or auditors.

We, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into association in pursuance of this Memorandum of Association.

Name, address and Descriptions of Subscribers	Signatures of Subscribers
--	------------------------------

Dated this day of20

Witness to the above signatures:

Lodge By:

7. MODEL ARTIKEL

["MODEL ARTICLES"]

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

(COMPANY NAME)

Interpretation

[1] In these articles :-

“ **The [Foundation/ means[company name]
Institute /Camber]”**

“**[The Board/Council]**” means the **[Board of Trustees/Board of
Directors/Members of the Council/etc]...** hereby set up for
the management of the affairs of the
...**[Foundation/Institute/Chamber/etc]...**

“**The act**” means the Companies Act 1965 or any statutory modification
or amendment thereof for the time being.

“**Secretary**” means 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
...**[Foundation/Institute/Chamber/etc]...**

Unless context otherwise requires, words or expressions contained in these articles
shall bear the same meaning as in the Act or any statutory modification thereof in
force at the date at which these articles become binding on the
...**[Foundation/Institute/Chamber/ etc]...**

Members

[2] The number of members to which the ...**[Foundation/Institute/ Chamber/etc]...**
proposes to be registered is not be more than **[number of members]...** but the
...**[Foundation/Institute/Chamber/etc]...** may from time to time register an increase
or reduction in the number of members.

[3] The members of the association shall be the subscribers to the memorandum of
association and such other persons **[or corporate bodies]** who shall be elected
[/admitted] to membership in accordance with the articles and shall be entered in the
Register of Members accordingly and he shall be a member thereof. **[The honorary
members hereinafter mentioned shall also be deemed to be members of the
...[Foundation/Institute/Chamber/etc]...**

[4] **Memberships of the ...[Foundation/Institute/Chamber/etc]... shall comprise the following classes ...**

...[Set out the different classes or categories of membership, qualification and right, (if any)]...

[5] No person shall be elected **[/admitted]** to membership unless he shall first have submitted to the ...**[Foundation/Institute/Chamber/etc]**... an application for membership **[accompanied by any prescribed entry fee and subscription]**. Every application for membership shall be in writing containing such particulars as the ...**[Board/ Council/etc]**.... may from time to time prescribe. Election **[Admission]** to membership of any person who makes application to the**[Foundation/Institute/ Chamber/etc]**... shall be at the sole discretion of the**[Board/Council/etc]**... and the ...**[Board/Council/ etc]**... may reject any application for membership without assigning any reason thereof.

[6] The ...**[Board/Council/etc]**... may admit to honorary membership of the ...**[Foundation/Institute/Chamber/etc]**...persons distinguished in commerce or finance or who have rendered public services **[in.....]**. Who shall not be required to sign the application mentioned in clause **[...5...]** **[or to pay any subscription]** or be under any liability in the event of the ...**[Foundation/Institute/Chamber/etc]**...being wound up.

Entries In The Register Of Members

[7] The secretary shall cause to be entered the name and address of each member in the Register of members upon his election **[/admission]** to membership.

[Entry Fees and Subscription]

[8] **The payment of entry fees (if any) and annual subscriptions by Members shall be of such amount and payable on such dates in such manner as the ...[Board/Council/etc]... may form to time prescribe.]**

[9] **The annual subscription payable under this articles may be commuted by the payment at any one time of RM in the case of individual members or of RM in the case of corporate bodies].**

Cessation of Membership

[10] A member shall cease to be a member of the ...**[Foundation/Institute/Chamber/etc]**...and his name shall be removed from the Register of members in any one of the following events:-

- (a) in the event of death;
- (b) if he by notice in writing to the ...**[Foundation/Institute/ etc]**...resigns his membership;
- (c) if he becomes of unsound mind;
- (d) if he is convicted or indicted of any criminal offences;
- (e) **if being a corporate body it is dissolved or wound up; [or ceases to carry on activity for more than six (6) month;] or**

- (f) if he shall be adjudged bankrupt or make any composition or arrangement with his creditors.
- [11] The decision of the ...**[Board /Council/etc]**... to whether any member, has come within the provision of this article shall be final and binding on any such member.

Expulsion

- [12] Majority of members present and voting at an annual or extraordinary general meeting may by resolution expel any member whose conduct in their opinion renders him unfit to be a member of the ...**[Foundation/Institute/Chamber/etc]**.... Any such person shall as from the passing of such resolution cease to be a member of the ...**[Foundation/Institute/Chamber/etc]**.... **[and shall no be eligible for re-election or readmission]**...

General Meetings

- [13] The ...**[Foundation/Institute/Chamber/etc]**...shall hold once every year a general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one general meeting and that of the next. Provided that so long as the ...**[Foundation/Institute/Chamber/etc]**... hold it first annual general meeting within eighteen months of its incorporation it need not hold it in the year of it incorporation or in the following year. The annual general meeting shall be held at such time and place as the**[Board/Council/etc]**... shall appoint.
- [14] All general meeting other than annual general meetings shall be called extraordinary general meetings.
- [15] The ...**[Board/Council/etc]**.... may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by section 144 of the Act.

Notice of General Meeting

- [16] An Annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one day's notice in writing at least, and a meeting of the ...**[Foundation/Institute/Chamber/ etc]**... other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen day's 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 articles of the ...**[Foundation/Institute/Chamber/etc]**..., entitled to receive such notices from the ...**[Foundation/Institute/Chamber/etc]**...:

Provided that a meeting of the ...**[Foundation/Institute/Chamber/ etc]**... shall, notwithstanding that it is called by shorter notice than that specified in this article, be deemed to have been duly called if it is so agreed :-

- (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 of the total voting rights at that meeting of all members.
- [17] The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

Proceedings at General Meetings

- [18] All business shall be special that is transacted at an extraordinary general meeting, and also that is transacted at an annual general meeting, with the exception of the consideration of the accounts, balance sheet, and the report of the members of the ...**[Board/Council/etc]**.... and auditors, the election of members of the ...**[Board/Council/etc]**.... in the place of those retiring and the appointment of, and fixing of the remuneration of, the auditors.
- [19] 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, ...**[...number...]**... members present in person shall be a quorum.
- [20] If within half 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/Council/etc]**.... may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be quorum.
- [21] The chairman of the ...**[Board/Council/etc]**... shall preside as chairman at every general meeting of the ...**[Foundation/Institute/ Chamber/etc]**... or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or the meeting or unwilling to act the members of the ...**[Foundation/Institute/Chamber/ etc]**... present shall elect one of their member to be chairman of the meeting.
- [22] If at any meeting no member of the ...**[Board/Council/etc]**.... is willing to act as chairman or if no member of the ...**[Board/Council/etc]**.... is present within fifteen minutes after the time appointed for holding of the meeting, the member present shall choose one of their number to be chairman of the meeting.
- [23] 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 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.

- [24] At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hand) demanded :-
- (a) by the chairman; or
 - (b) by at least **[three]** members present in person or by proxy;
- Unless a polls be so demanded a declaration by the chairman that resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the **...[Foundation/ Institute/Chamber/etc]...** shall be conclusive evidence of the fact without proof of the number or proportion of against such resolution. The demand for a poll may be withdrawn.
- [25] In the case of an equality of votes, whether on a show of hands or on a poll the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
- [26] A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon with a poll has been demanded may be proceeded with pending the taking of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- [27] Subject to the provisions of the Act a resolution in writing signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings [or being corporate body by their duly authorised representative] shall be as valid and effective as if the same had been passed at a general meeting of the **...[Foundation/ Institute/Chamber/etc]...** duly convened and held.

Votes of Members

- [28] Every member shall have one vote.
- [29] No member shall be entitled to vote at any general meeting unless all moneys [/subscriptions] presently payable by him to the **...[Foundation/ Institute/Chamber/etc]...** have been paid.
- [30] On a poll votes may be given either personally or by proxy.
- [31] The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing. **[or, if the appointer is a body corporate, either under seal or under hand of the office or attorney duly authorised.]** A proxy need not be a member of the **...[Foundation/ Institute/Chamber/etc]...** **PROVIDED** that a member shall not be entitled to appoint a person who is not a member as his proxy unless that person is an advocate, an approved company auditor or a person approved by the Registrar of Companies.

- [32] An instrument appointing a proxy shall be in the following form or as near thereto as circumstances admits:-

...[**Foundation/ Institute/Chamber/etc**]...

[I/we] of, being a member of the above named ...[**Foundation/ Institute/Chamber/ etc**] ..., hereby appoint of Or failing him of, as my [/our] proxy to vote for me [/us] on my [/our] behalf at annual [extraordinary] general meeting of the said ...[**Foundation/ Institute/Chamber/etc**]... to be held on the day of19...., and at any adjournment thereof.

[Signatures]

- [33] The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

- [34] A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death insanity revocation of aforesaid shall have been received by the ...[**Foundation/Institute/Chamber/etc**]... at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

- [35] The business of the ...[**Foundation/ Institute/Chamber/etc**]... shall be managed by a ...[**Board/Council/etc**].... At the first annual general meeting all members of the ...[**Board/Council**]... shall retire and the members of the ...[**Board/Council**] ... shall be :-

(a)

(b)

- [36] The members of the ...[**Board/Council**]... shall be paid all traveling, hotel and other reasonable expenses properly incurred by them in attending and returning from meetings of the ...[**Board/Council/etc**]... or any committee of the ...[**Board/Council**]... or the general meetings of the ...[**Foundation/ Institute/Chamber/etc**]... but shall not otherwise entitled to any fees or remuneration.

Borrowing Powers

- [37] The ...[**Board/Council/etc**]... may exercise all the powers of the ...[**Foundation/ Institute/Chamber/etc**]... to borrow money, 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 ...[**Foundation/ Institute/Chamber/etc**]... .

Powers and Duties of the ...[Board/Council/etc]...

- [38] The business of the ...[**Foundation/ Institute/Chamber/etc**]... shall be managed by the ...[**Foundation/ Institute/Chamber/etc**]... who may pay all the expenses incurred in promoting and registering the ...[**Foundation/ Institute/Chamber/etc**]..., and may exercise all such powers of the ...[**Foundation/ Institute/Chamber/etc**]...

as are not, by the Act or these articles, required to be exercised by the **...[Foundation/Institute/Chamber/etc]...** in general meeting, subject nevertheless to the provisions of the Act or these articles and to such regulations being not inconsistent with the aforesaid provisions, as may be prescribed by the **...[Foundation/Institute/Chamber/etc]...** in general meeting; but no regulation made by the validate any prior act of the **...[Board/Council/etc]...** which would have been valid if that regulation had not been made.

- [39] The **...[Board/Council/etc]...** may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the **...[Board/Council/etc]...**, to be the attorney or attorneys of the **...[Foundation/Institute/Chamber/etc]...** for such purpose and such powers, authorities and discretions (not exceeding those vested in or exercisable by the **...[Board/Council/etc]...** under these articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the **...[Board/Council/etc]...** may think fit.
- [40] All cheques, promissory notes, draft, bill of exchanges and other negotiable instruments, and all receipts for moneys paid to the **...[Foundation/Institute/Chamber/etc]...** shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the **...[Board/Council/etc]...** shall from time to time by resolution determine.

Minutes of Meetings

- [41] The **...[Board/Council/etc]...** shall cause minutes to be made in books provided for the purpose :-
- (a) of all appointment of officers made by the **...[Board/Council/ etc]...** ;
 - (b) the names of all the members of the **...[Board/Council/etc]...** present at each meeting of the **...[Board/Council/etc]...** and of any committee of the **...[Board/Council/etc]...** ;
 - (c) of all resolutions and proceedings at all meetings of the **...[Foundation/Institute/Chamber/etc]...** and of the **...[Board/Council/etc]...** and of any committee of the **...[Board/Council/ etc]...** and every member of the **...[Board/Council/etc]...** present at any meeting of the **...[Board/Council/etc]...** or committee of **...[Board/Council/etc]...** shall sign his name in a book to be kept for that purpose.

Disqualification of Members of the **...[Board/Council/etc]...**

- [42] The office of the members of the **...[Board/Council/etc]...** shall be vacated if the member of the **...[Board/Council/etc]...** :-
- (a) without the consent of the **...[Foundation/Institute/Chamber/etc]...** in general meeting holds any office of profit under the **...[Foundation/Institute/Chamber/ etc]...**; or
 - (b) becomes bankrupt or makes any arrangement or compromise with his creditors generally; or

- (c) becomes prohibited or disqualified from being a member of the **...[Board/Council/etc]...** under any provisions of the Act;
 - (d) becomes of unsound mind;
 - (e) resign his office by notice in writing to **...[Foundation/Institute/Chamber/etc]...**;
 - (f) is removed by ordinary resolution of the **...[Foundation/Institute/Chamber/etc]...**;
 - (g) is absent for more than **...[six (6) months]...** without permission of the **...[Board/Council/etc]...** from meetings of the **...[Board/Council/etc]...** held during that period; or
 - (h) is directly or indirectly interested in any contract with the **...[Foundation/Institute/Chamber/etc]...** and fails to declare the nature of his interest in the manner required by section 131 of the Act.
- [43] A member of the **...[Board/Council/etc]...** shall not vote in respect of any contract in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted.

Rotation of The Members of The ...[Board/Council/etc]

- [44] At the annual general meeting in every year subsequent to that in which the first annual general meeting is held one-third of the **...[Board/Council/etc]...** for the time being, or if their number is not three or multiple of three, then the number nearest one-third, shall retire from office.
- [45] The member of the **...[Board/Council/etc]...** to retire in every year shall be those who have been longest in office since their last election, but as between persons who became member on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- [46] A retiring member of the **...[Board/Council/etc]...** shall be eligible for reelection.
- [47] The **...[Foundation/ Institute/Chamber/etc]...** at the meeting at which a member of the **...[Board/Council/etc]...** retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring member the **...[Board/Council/etc]...** shall, if offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved no to fill such vacated office or unless a resolution for the re-elected of such member of the **...[Board/Council/etc]...** shall have been put to the meeting and lost.
- [48] No person other than a member of the **...[Board/Council/etc]...** retiring at the meeting shall be eligible for election to the office of a member of **...[Board/Council/etc]...** unless, not less than five no more than twenty-one days before the date appointed for the meeting, there shall have been left at the registered office of the **...[Foundation/ Institute/ Chamber/etc]...** notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected. Notwithstanding the above, a member other than a retiring member of the **...[Board/Council/etc]...** shall vacate

his office if his election as member of the ...**[Board/Council/etc]**... is not approved by the Minister.

- [49] The ...**[Board/Council/etc]**... may from time to time by ordinary resolution increase or reduce the number of members of the ...**[Board/Council/etc]**... and may also determine in what rotation the increased or reduced number is to go out of office.
- [50] The ...**[Board/Council/etc]**... shall have power at any time, and from time to time, to appoint any person to be a member of the ...**[Board/Council/etc]**... either to fill a casual vacancy or as an addition to the existing ...**[Board/Council/etc]**..., but so that the total number of members of the ...**[Board/Council/etc]**... shall not at any time exceed the number fixed in accordance with these articles. Any member of the ...**[Board/Council/etc]**... so appointed shall hold office only until the next following annual general meeting, and then shall be eligible for-election, but shall not be taken into account in determining the ...**[Board/Council/etc]**... who are to retire by rotation at such meeting.
- [51] The...**[Foundation/ Institute/Chamber/etc]**...may by ordinary resolution, of which special notice has been given in accordance with section 128 of the Act, remove any member of the ...**[Board/Council/ etc]**... before the expiration of this period of office notwithstanding anything in these articles or in any agreement between the ...**[Board/Council/etc]**... and such member of the ...**[Board/Council/etc]**...
- [52] The ...**[Foundation/ Institute/Chamber/etc]**... may by ordinary resolution appoint another person in place of a member of the ...**[Board/Council/etc]**... removed from office under article ..**[51]**.. Without prejudice to the powers of the ...**[Board/Council/etc]**... under article ..**[50]**.. hereof the ...**[Foundation/ Institute/Chamber/etc]**... in general meeting may appoint any person to be a member of the ...**[Board/Council/etc]**... either to fill a casual vacancy or as an additional member of the ...**[Board/Council/etc]**...

Proceedings of The ...[Board/Council/etc]**...**

- [53] The ...**[Board/Council/etc]**... may meet together for the despatch of business, adjourn, 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. A member of the ...**[Board/Council/etc]**... may, and the secretary on the requisition of a member of the ...**[Board/Council/etc]**... shall, at any time summon a meeting of the ...**[Board/Council/etc]**...
- [54] The quorum necessary for the transaction of the business of the ...**[Board/Council/etc]**... may be fixed by the ...**[Board/Council/ etc]**..., and unless so fixed shall be two.
- [55] The continuing members of the ...**[Board/Council/etc]**... may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the articles of the ...**[Foundation/Institute/Chamber/etc]**... as the necessary quorum of the ...**[Board/Council/etc]** ... , the continuing members or member of the ...**[Board/Council/etc]**... may act for the purpose of increasing the number of members to that number, or of summoning a general meeting of the ...**[Board/Council/etc]**..., but for no other purpose.
- [56] The ...**[Board/Council/etc]**... may elect a chairman of their meetings and determine the period for which he is to hold office; but, 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 member of the ...**[Board/Council/etc]**... present may choose one of their number to be chairman of the meeting.

- [57] The ...**[Board/Council/etc]**... may from time to time delegate any of their powers to a committee or committees consisting of such members of their body as they think fit and with such powers as the ...**[Board/Council/etc]**... may prescribe, provided that such powers not exceeding those vested in or exercisable by the ...**[Board/Council/etc]**... under these articles.
- [58] The committee 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 number to be chairman of the meeting.
- [59] A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.
- [60] All acts done by any meeting of the ...**[Board/Council/etc]**... or of a committee of the ...**[Board/Council/etc]**..., or by any person acting as a members of the ...**[Board/Council/etc]**..., shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member of the ...**[Board/Council/etc]**... 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 and was qualified to be a member of the ...**[Board/Council/etc]**...
- [61] A resolution in writing, signed by all the members of the ...**[Board/Council/etc.]**..., for the time being entitled to receive notice of a meeting of the ...**[Board/council/etc.]**..., shall be as valid and effectual as if it had been passed at a meeting of the ...**[Board/Council/etc]**..., duly convened and held.

Secretary

- [62] The secretary shall be appointed by the ...**[Board/Council/etc]**... 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. The first secretary of the ...**[Foundation/Institute/ Chamber/etc]**... shall be ...[.....]...
- [63] A provision of the Act or these articles requiring or authorising a thing to be done by or to a member of the ...**[Board/Council/etc]**... and the secretary shall not be satisfied by its being done by or to the same person acting both as a member of ...**[Board/Council/etc]**... and as, or in place of, the secretary.

The Seal

- [64] The ...**[Board/Council/etc]**... shall provide for the safe custody of the seal, which shall only be used by the authority of the ...**[Board/Council/etc]**... or of a committee of the ...**[Board/Council/ etc]**... authorised by the ...**[Board/Council/etc]**... in that behalf, and every instrument to which the seal shall be affixed shall be signed by a member of the ...**[Board/Council/etc]**... and shall be countersigned by the secretary or by a second member of the ...**[Board/Council/etc]**...or by some other person appointed by the ...**[Board/Council/etc]**... for the purpose.

Accounts

- [65] The ...[Board/Council/etc]... shall cause proper books of accounts to be kept with respect :-
- (a) all sums of money received and expended by the ...[Foundation/Institute/Chamber/etc]... and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the ...[Foundation/Institute/Chamber/etc]...; and
 - (c) the assets and liabilities of the ...[Foundation/Institute/ Chamber/etc]...
- Proper books shall not be deemed to be kept if there are not kept such books of accounts as are necessary to give a true and fair view of the state of the ...[Foundation/Institute/Chamber/etc]'s... affairs and to explain its transaction.
- [66] The books of accounts shall be kept at the registered office of the ...[Foundation/Institute/Chamber/etc]... or, subject to section 167(3) of the Act, at such other place or places as the ...[Board/Council/etc]... think fit and shall always be open to the inspection of the member of the ...[Board/Council/etc]...
- [67] The ...[Board/Council/etc]... shall from time to time determine to what extent and at what times and places and under what conditions or regulations the accounts and books of the ...[Foundation/Institute/ Chamber/etc]... or any of them shall be open to inspection of members not being members of the ...[Board/Council/etc]... .
- [68] The ...[Board/Council/etc]... shall from time to time in accordance with the requirement of the Act cause to be prepared and to be laid before the[Foundation/Institute/Chamber/etc]... in general meeting such profit and loss accounts, balance sheets and any reports as are referred to in the Act.
- [69] A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the ...[Foundation/Institute/Chamber/etc]... in general meeting, together with a copy of the auditor's report, shall not less than twenty-one days before the date of the meeting be sent to every member of, and every holder of debentures of, the ...[Foundation/Institute/ Chamber/etc]...

Audit

- [70] Auditors shall be appointed and their duties regulated in accordance with section 174 to 175 of the Act.

Notice

- [71] Any notice may be given by the ...[Foundation/Institute/Chamber/ etc]...to any member either personally or by sending to him or to his registered address or the address, if any, within Malaysia supplied by him to the ...[Foundation/Institute/Chamber/etc]... for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice in the ordinary course of post.

- [72] Notices of every general meeting shall be given in any manner hereinafter authorized to:-
- (a) every member except those members who have not supplied to the ...**[Foundation/Institute/Chamber/etc]**... an address within Malaysia for the giving of notices to them; and
 - (b) the auditors for the time being of the ...**[Foundation/Institute/Chamber/etc]**... .

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

Indemnity

- [73] Subject to the provision of and so far as may be permitted by the Act, every member of the ...**[Board/Council/etc]**..., auditor or other officer of the ...**[Foundation/Institute/Chamber/etc]**... shall be entitled to be indemnified by the ...**[Foundation/Institute/Chamber/etc]**... against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the ...**[Foundation/Institute/Chamber/etc]**... and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any findings or admissions of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court.

We, the several persons whose names, addresses are subscribed hereunder being subscribed hereby agree with the foregoing Articles Of Association.

Name, Address and Description of Subscribers.

Dated this day of 20..... Witness to the above signatures:

Lodge by: