

CONSTITUTION

PERSATUAN BANK-BANK PELABURAN LABUAN (LABUAN INVESTMENT BANKS ASSOCIATION)

CLAUSE 1 NAME

1. The Association shall be known as

PERSATUAN BANK-BANK PELABURAN LABUAN (LABUAN INVESTMENT BANKS ASSOCIATION)

Hereinafter referred to as "the Association".

2. Meaning of name : **Labuan Investment Banks Association**
3. Level : **Negeri**

CLAUSE 2 ADDRESS

1. The registered address is

**LEVEL 12(D), MAIN OFFICE TOWER, FINANCIAL PARK LABUAN, JALAN
MERDEKA
87000 LABUAN
WILAYAH PERSEKUTUAN LABUAN**

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

**LEVEL 12(D), MAIN OFFICE TOWER, FINANCIAL PARK LABUAN, JALAN
MERDEKA
87000 LABUAN
WILAYAH PERSEKUTUAN LABUAN**

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

CLAUSE 3 OBJECTIVE

The objectives of the Association (hereinafter also known as "LIBA") shall be the following:

3.1 To promote the Federal Territory of Labuan (Labuan) as an International Business and Financial Centre.

3.2 To deal with common issues of concern to members.

3.3 To disseminate information of common interest to members.

3.4 To communicate and/or liaise with relevant authorities and bodies on all matters affecting the interest of members.

3.5 To raise funds by means of subscriptions or otherwise from members for all the purposes and objects of LIBA in such amounts and in such manner as is provided for in this Constitution.

3.6 Generally, to promote and protect the mutual interest of members and to do all such other lawful acts as are incidental and conducive to the attainment of the above objectives or any of them.

CLAUSE 4 MEMBERSHIP

4.1 The membership of LIBA comprises of Labuan Investment Banks established or registered under The Labuan Companies Act, 1990 and duly licensed by the Labuan Financial Services Authority to carrying on investment banking business in, from and through Labuan under the Labuan Financial Services and Securities Act 2010 or the Labuan Islamic Financial Services and Securities Act 2010.

The Founding Members of LIBA are as follows:

- i. Asia Investment Banking Corporation
- ii. City Credit Investment Bank Limited
- iii. European Credit Investment Bank Ltd
- iv. IBH Investment Bank Limited
- v. Middle East Investment Bank Ltd
- vi. Perfect Hexagon Commodity & Investment Bank Limited
- vii. PG Asia Investment Bank Ltd
- viii. RM Investment Bank Ltd

4.2 New members shall be admitted into LIBA as and when they become eligible and subject to the approval by a simple majority of the Council Members present at a Meeting of the Council duly convened.

4.3 Every eligible member approved as aforesaid shall upon payment of the prescribed admission (one-time payment) and subscription fee, be admitted as a Member of LIBA and shall be entitled to all the privileges of membership.

Members' Representation.

4.4 In all matters affecting the business of LIBA, members may be represented by any one of those persons who shall have been approved as the member's nominees by the Council and registered with the Secretary. Nominations shall be

submitted in the prescribed form provided by the First Schedule hereto.

Register

4.5 The Secretary of LIBA shall keep a Register of Members of LIBA (the "Register") which shall contain the following particulars of each Member:

- i. Name and address (registered and correspondence) of each Member.
- ii. Date on which the name of any Member was inserted in the Register as a member.
- iii. Date on which they ceased to be a Member.
- iv. Name and address of every nominee(s).
- v. Such other particulars as the Council may from time to time decide.

4.6 The Register shall be open for inspection by any Member during normal hours of business.

Notice to Members

4.7 All notices sent to members as required by this Constitution shall be deemed to have been duly served if sent by LIBA through post to the Member's address as shown on the Register or by facsimile or electronic mail should the Council thinks fit.

CLAUSE 5 RESIGNATION AND TERMINATION

Resignation, Cessation and Expulsion of Members

5.1 Any Member wishing to resign from LIBA shall give one month's written notice in writing to the Secretary.

5.2 Any Member who ceased to hold a valid Investment Bank License to carrying on investment banking business in, from and through Labuan under the Labuan Financial Services and Securities Act 2010 or the Labuan Islamic Financial Services and Securities Act 2010 will automatically ceased to be a Member of LIBA.

5.3 Any Member who fails to comply with the Constitution of LIBA, or has acted in a manner to bring disrupt upon LIBA may be expelled or suspended for a period of time as the Council deems fit. Before the Council expels or suspends the Member, the Member shall be informed of the grounds for such expulsion or such suspension in writing and be given an opportunity to explain and absolve himself in person. Such expulsion or suspension shall be enforced unless otherwise reversed by a general meeting upon appeal by the said Member.

5.4 The Council may by notice in writing suspend or expel any Member whose

Annual Subscription Fee or/and any penalty due is not paid within a further calendar month from the date of the written demand for payment.

5.5 The Council may by notice in writing expel any Member who goes into liquidation, other than liquidation for purposes of reconstruction of the Member.

5.6 The Council shall expel any Member if a resolution is passed by not less than two-third (2/3) majority of the votes of the Members represented at a general meeting.

5.7 Any Members who have resigned, ceased, or expelled shall forfeit the unexpired portion of its Annual Subscription and shall ipso facto relinquish all rights which it may have in the funds and/or property of LIBA.

5.8 The expulsion of any Member shall not prejudice any claim which LIBA may have against that member for damage, loss or expenses sustained by LIBA arising out of the conduct leading to such expulsion.

5.9 On the resignation, cessation or expulsion of any Member, the name of such Member shall be removed from the Register.

5.10 The Council may notify Labuan Financial Services Authority of any Member who is expelled or whose membership to LIBA has been suspended, terminated, or ceased.

Reinstatement of Members

5.11 Membership to LIBA may be reinstated:

- i. by application approved by a simple majority of the Council present at a Meeting of the Council members duly convened, and
- ii. by payment of a Reinstatement Fee of RM1,000 and any unpaid subscriptions up to and inclusive of the date of cessation as a Member and reinstatement as a Member.

CLAUSE 6 **SOURCE OF INCOME**

Admission and Subscription Fees

6.1 The funds of LIBA shall be derived from members Admission and Annual Subscription Fees and other modes of payment as may from time to time be determined by a resolution passed at a general meeting supported by no less than two-third (2/3) majority of the votes of Members represented at the meeting.

6.2 An Admission Fee of RM1,000 is payable by each eligible Member whose membership has been approved.

6.3 The Annual Subscription Fee payable by each member shall be RM2,500.

6.4 The Admission and Annual Subscription Fees may be revised from time to time by a resolution passed at a general meeting at which the voting is conducted by secret ballot.

6.5 The Admission Fee shall be paid within seven (7) working days after the eligible Member is approved as a Member.

6.6 The Annual Subscription Fee shall be paid by each Member on or before the 31st day of January in each year. The first Annual Subscription Fee of each Member shall be paid together with the Admission Fee and shall be in respect of the calendar year expiring on the 31st of December of the year membership application is approved.

6.7 Penalty of RM200 per month or such other amounts as may be decided by the Council will be imposed on Members whose Annual Subscription Fee are not paid by 31 January of each year.

6.8 Any Member who fail to pay their Annual Subscription Fee shall be sent a written notice of demand for payment. If the amount due, including any penalty imposed, is not paid within a further calendar month from the date of the written demand for payment, the Council may announce such Member as being in default and shall take such further action as it deems fit, including suspension or expulsion from LIBA as provided in Rule 5.4.

CLAUSE 7 GENERAL MEETING

7.1 A general meeting of all the Members of LIBA may be called on the instructions of the Council or any three Members at any time on notice of such instructions being given in writing to the Chairman or Secretary and all general meetings shall be called immediately in accordance with such instructions.

7.2 The provisions of Rules 8.11, 8.12, 8.13, 8.14 and 8.15 relating to meetings of the Council shall apply mutatis mutandis to general meetings of LIBA.

7.3 At all general meetings of LIBA, the Member shall be represented by the representative in accordance with Rule 4.4.

7.4 At least one-half (1/2) of the total voting membership of LIBA or twice the total number of Council member in office, whichever is lesser must be present at a general meeting for its proceedings to be valid and to constitute a quorum.

7.5 If half an hour after the time appointed for the general meeting a quorum is not present, the meeting shall be postponed to a date (not exceeding 30 days) and place to be fixed by the Chairman of the meeting; and if a quorum is not present half an hour after the appointed adjourned meeting, the Members present shall carry on with the business of the day but they shall not have the power to alter the

Constitution of LIBA or to make decisions affecting the whole membership.

7.6 Except as herein specifically provided otherwise, a resolution shall be a resolution when it has been passed by a simple majority of the Members represented at the general meeting.

7.7 An Annual General Meeting of LIBA shall be held once in a calendar year. The Annual General Meeting shall be called by the Chairman or Secretary on any convenient date during each calendar year before the 30th day of June.

7.8 The business to be dealt with at the Annual General Meeting shall include:

i. Consideration and adoption of the audited statement of accounts together with the Council's report on the activities of LIBA for the previous year.

ii. Election of the Council, if applicable.

iii. Appointment of Auditors.

iv. Consideration of any matters raised in accordance with this Constitution.

7.9 Not less than fourteen days' notice of the Annual General Meeting shall be given to all members specifying the place and the day and the hour of the meeting but the accidental omission to give any such notice to any Member shall not invalidate any resolutions passed at such meeting.

7.10 No business other than that specified in the notice calling the meeting, or specifically provided, for in this Constitution, or of which at least seven (7) days' notice shall have been given in writing to the Secretary by a member shall be dealt with at an Annual General Meeting of LIBA.

7.11 The provision of Rule 7.9 shall apply to all general meetings of LIBA and no business other than that specified in the notice calling the meeting shall be dealt with at the meeting provided always that any meeting of LIBA may be called without written notice or at shorter notice than that provided for in Rule 7.9 and the meeting so called and all proceedings at it shall be valid and binding upon the Members if the written consent of not less than a two-third (2/3) majority of the Members to the convening of the meeting without notice or at short notice as aforesaid is obtained before or within seven (7) days after the conclusion of the meeting.

7.12 Proxies shall be allowed at all General Meetings of LIBA.

7.13 The instrument appointing a proxy shall be:

i. in the prescribed form provided by the Second Schedule hereto and

ii. shall be deposited at the secretariat office of LIBA or at such place within the Federal Territory of Labuan specified for that purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or

adjourned meeting.

7.14. At all General Meetings of LIBA, the following matters shall be dealt with by secret ballot:

- i. Alterations to the Constitution.
- ii. Dissolution of LIBA.
- iii. Revision of Admission Fee and Annual Subscription Fee payable.

CLAUSE 8 **COMMITTEE**

The Council

8.1 There shall be a Council which shall consist of seven (7) members who shall be elected every two years by the Members of LIBA at the Annual General Meeting and to hold office from the date of the Annual General Meeting at which the election takes place until the conclusion of the second next Annual General Meeting.

8.2 Council members retiring at the Annual General Meeting or a Member recommended by the retiring Council member shall be eligible for election as a member of the Council if a fourteen (14) calendar days' notice before the date of the Annual General meeting has been served to the Secretary in writing.

8.3 The Council shall have power at any time and from time to time to appoint a Member to fill a casual vacancy. But any Member so appointed shall hold office only until the conclusion of the next Annual General Meeting and shall be eligible for re-election at such meeting together with a consent in writing to act as Council member from the proposed Member.

8.4 The Council shall consist of the following:

- i. Chairman
- ii. Deputy Chairman
- iii. Secretary
- iv. Treasurer, and
- v. three (3) Council members

8.5 The Council shall regulate, manage, and control the affairs of LIBA and its powers shall be limited to the following acts:

- i. The making of recommendations for submission to the General Meeting of LIBA.
- ii. The control of finance and the day to day running of LIBA and the other powers specifically conferred upon it pursuant to this Constitution.
- iii. The exercise of such other powers may be delegated to it from time to time by a

resolution of a General Meeting of Members of LIBA, supported by no less than a simple majority of the votes of Members represented at the meeting.

Proceedings of the Council

8.6 Meetings of the Council may be convened in such manner and at such times and places as the Council considers necessary or desirable.

8.7 Any Member elected to the Council shall be represented by its representative in accordance with Rule 4.4 at all meetings of the Council.

8.8 The quorum for meetings of the Council shall be fifty (50) percent of the number of office-bearers of LIBA and except as herein specifically provided otherwise, a decision of the Council shall be carried by a simple majority of office-bearer of LIBA present.

8.9 The Council shall meet as often as it shall consider necessary or desirable but shall not be less than once in six (6) months for the dispatch of business and for carrying out the objectives of LIBA.

8.10 The representative or nominee of the Member Chairman present at the meeting shall take the Chair at all meetings of the Council. In the absence of the Chairman's representative, the Deputy Chairman's representative or nominee shall take the chair. Failing which, those present shall elect a Chairman of the Meeting and for this purpose no ballot shall be necessary.

8.11 At all meetings of the Council, each Council member shall have one vote. In the event of an equality of votes, whether on a show of hand or by secret ballot, the Chairman shall have a casting vote.

8.12 Voting on all matters brought up at any meeting of the Council shall be by a show of hands except as provided for under Rule 8.14.

8.13 Except as herein specifically provided otherwise, a resolution (if required) shall be a resolution when it has been passed by simple majority of the Council members present and voting.

8.14 Any member of the Council may demand that any matter in discussion be decided by secret ballot and the matter shall then be so submitted without any vote on the resolution by a show of hands. On a secret ballot, each representative or nominee of a Council member present shall have one vote.

8.15 No member of the Council shall be entitled to any salary unless otherwise decided by the general meeting of LIBA, but members of the Council shall be reimbursed out of the funds of LIBA in respect of all travelling and other expenditure incurred for and about the affairs of LIBA.

8.16 Meetings of the Council may be convened by the Chairman or Secretary and shall be so convened on a requisition to the Secretary in writing signed by any two

members of the Council stating the objects for which such meeting is being convened. Not less than fourteen (14) days' notice shall be given to members of the Council of a meeting. In case of an emergency, the Chairman or Secretary may call a meeting of the Council by giving seven (7) days' notice.

8.17 If no quorum is present within half an hour from the time fixed for the meeting, it shall stand adjourned to a date and place to be fixed by the Chairman of the meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

8.18 A resolution in writing signed by two-third (2/3) of the Council members shall be as effective for all purposes as a resolution passed at a meeting of the Council duly convened, held, and constituted. Any such resolution may take the form of one or more documents and may be executed in one or more counterparts, all of which together shall constitute one and the same documents.

CLAUSE 9 DUTIES OF OFFICE BEARERS

9.1 Duties of Chairman

The Chairman shall during his term of the office preside at all General Meetings and all meetings of the Council and shall be responsible for the proper conduct of all such meetings.

9.2 Duties of Deputy Chairman

The Deputy Chairman shall:

- i. Assist the Chairman in carrying out his duties and
- ii. Deputise for the Chairman in his absence.

9.3 Duties of Secretary

The Secretary shall:

- i. Attend all meetings and record all proceedings of the Council and of LIBA General Meetings.
- ii. Maintain minutes of all meetings of the Council and of LIBA General Meetings, the records and accounts of LIBA and all correspondences sent out for and on behalf of LIBA.
- iii. Be responsible for the preparation and submission of all returns and documents required by the Societies Act 1966 to be submitted to the Registrar.
- iv. Perform such other duties as may from time to time be assigned to him/her by

the Council.

9.4 Duties of Treasurer

The Treasurer shall be responsible for ensuring that the requirements of the Societies Act 1966 affecting the keeping of accounts and ancillary matters are complied with and shall ensure that:

- i. A true and accurate account of all monies received and expended by LIBA is kept.
- ii. The Annual Balance Sheet and Income and Expenditure Account are prepared for consideration at the Annual General Meeting.
- iii. The Treasurer shall perform such other duties as may from time to time be assigned to it by the Council.

9.5 The persons carrying out the duties of the offices of Secretary and Treasurer shall act under the general direction of and shall be responsible only to the Council, and save as herein otherwise provided, shall not be under any obligation to carry out any wishes or instructions of individual Members.

CLAUSE 10 **FINANCIAL PROVISION**

Property

10.1 All monies or funds of LIBA shall be paid into an account or accounts with any bank or banks determined by the Council and in the name of LIBA, into which all monies or funds belonging to LIBA shall be deposited and all disbursements therefrom shall be signed by the Treasurer and countersigned by either the Chairman or the Secretary or any Council member.

10.2 The Council members are empowered to sign cheques provided that each cheque shall be signed jointly by at least two (2) of the Council members.

10.3 The Treasurer and Chairman shall jointly be empowered to approve payments up to RM5,000.00 at any one time and all payments above RM5,000.00 but not exceeding RM50,000.00 shall be approved by the Council. For any amount exceeding RM50,000, it shall require the approval of a majority of the Members present at a members' meeting.

10.4 Expenditure not exceeding RM10,000.00 (Ten Thousand Ringgit only) in aggregate may be incurred for charitable purposes and sponsorship in any one financial year with the prior consent of the Council.

10.5 Petty Cash not exceeding RM1,000.00 may be maintained and kept by the Treasurer at any one time. All monies in excess of this sum shall within seven (7) days of receipt be deposited into the banking account of LIBA.

Financial Year

10.6 The financial year of LIBA shall be from the 1st day of January to the 31st of December in each year

Accounts

10.7. The accounts of LIBA shall be kept by the Treasurer. They shall be audited at least once in every Financial Year in respect of the period covered by the previous year as required by the Societies Act 1966, by an External Auditor or Honorary Auditor(s). The Council shall be responsible for submitting an audited statement of accounts to Members at the Annual General Meeting of LIBA.

Inspection of the Books

10.8 The Balance Sheet, Income and Expenditure Account and the Account books of LIBA shall be open to inspection by any Member by appointment at the Treasurer's Office at all reasonable times.

CLAUSE 11 AUDITORS

11.1 One person shall be appointed at the Annual General Meeting as Auditor of LIBA and shall hold office for two years.

11.2 The Auditor shall be required to audit the accounts of LIBA and to prepare a report for the General Meeting.

11.3 The Chairman may require the Auditor to audit the accounts of LIBA for any period within their tenure of office at any date and to make a report to the Council.

CLAUSE 12 PROPERTY ADMINISTRATOR

Trustees

12.1 Three trustees who must be over 21 years of age, may be appointed at the Annual General Meeting and shall hold office at the pleasure of LIBA. They shall have vested in them all immovable property whatsoever belonging to LIBA upon the execution of a Deed of Trust.

12.2 The trustees shall not sell, withdraw, or transfer any of the property of LIBA without the consent and authority of a general meeting of Members.

12.3 A trustee may be removed from office by the general meeting on the grounds that, owing to ill health, unsoundness of mind, absence from the country or for any other reason, he or she is unable to perform his or her 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.

CLAUSE 13 INTERPRETATION

13.1 In the period between two General Meetings, the Council can give its interpretation to this constitution and the Council, if necessary, can decide on matters that are not clear in this constitution.

13.2 Except for things that are contrary or inconsistent with the policy that has been made in the general meeting, the decision of the Council against the members is final if not changed by the decision of the General Meeting.

CLAUSE 14 ADVISOR / PATRON

Advisors

14.1 The Council may at its discretion appoint one or more persons to be the Honorary Advisor or Honorary Advisors for such purposes and for such period as the Council.

14.2 The Council may from time to time and at its discretion seek professional advice and appoint any company, firm or person or body of persons to be advisor or advisors of LIBA for the purpose of attaining its objects and for such period and subject to such remunerations as the Council may think fit.

Solicitors

14.3 The solicitors of LIBA may be appointed and may be removed from time to time by the Council.

CLAUSE 15 PROHIBITION

15.1 Any form of gambling as interpreted in the Common Gaming Houses Act 1953 is prohibited in LIBA's premises.

15.2 LIBA or its members should not attempt to prevent or in any interfere with business or the price of goods or take a part in any trade union movement as defined in the Trade Unions Act 1959.

15.3 LIBA may not conduct lotteries whether reserved for members or not, on behalf of LIBA or officers or committees or member, without prior approval from the relevant authorities.

15.4 "Benefits" as defined under Section 2 of the Societies Act 1966, cannot be granted by LIBA to any of its members.

15.5 All money and profits obtained by LIBA as a result of its participation in economic activities must be channeled back to LIBA to achieve the goals of LIBA and cannot be used to pay benefits, profits or bonuses to any member of LIBA. However this provision does not prevent any payment of salary or administrative expenses or both to any member or employee of LIBA.

CLAUSE 16 AMENDMENT OF CONSTITUTION

16.1 Any proposal to delete, add or amend these Rules or any subsequent Rules which may be legally adopted must be forwarded in writing to the Secretary and be duly proposed and seconded by two Members of LIBA at General Meetings.

16.2 The Secretary shall thereupon circulate it to the Members of the Council who shall make recommendations thereon. The proposal shall then be put to the Members adoption by ballot at a General Meeting. No resolution for decision of deleting, adding to or amending these Rules shall be passed unless it has the support of two-third (2/3) of the Members' votes and set out any reasons in its favor which the proposer may have given, and the recommendation of the Council in connection therewith. Any alteration duly approved in accordance with this Constitution shall, when registered by the Registrar be valid and binding upon all members of LIBA.

CLAUSE 17 DISSOLUTION

17.1 Any resolution that LIBA be wound up and dissolved shall be reduced to writing and supported by not less than half the Members and forwarded to the Secretary. A general meeting of members shall be called by the Secretary and the resolution for dissolution shall be put to the meeting.

17.2 The resolution for dissolution shall not be passed unless at least two-third (2/3) of the Members represented at the meeting vote by secret ballot in support of it. If the resolution is duly passed, an application for the cancellation of the registration of LIBA shall be signed by the Secretary and seven members and forwarded to the Registrar. When the registration of LIBA has been cancelled, the property of LIBA shall be sold and converted into cash, and all surplus funds remaining after satisfying all the liabilities of LIBA and the costs of the winding up shall be distributed among the members whose names were entered in the Register at date of the passing of the winding-up resolution in equal shares.

CLAUSE 18 FLAG, LOGO AND BADGE

1. Flag
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 - Description
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2. Logo



Description

LIBA logo is made up of four letters in blue: LIBA stands for Labuan Investment Banks Association. The blue wave line represents waves which conveys Power (Energy), Progression and Partnership

3. Badge

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Description

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CLAUSE 19 INDEMNITY

19.1 If any prosecution, action or suit at law be commenced against any Member of the Council or any servant or agent of LIBA for anything done by such person or the proper or reasonable discharge of their duty pursuant to this Constitution, such person or persons shall be defended and indemnified by and at the cost of LIBA from all damages, costs and expenses which may be incidental to or result from such prosecution, action or suit at law and property and funds of LIBA may be applied for such purpose as may be directed by the Council from time to time, provided however, that none of such funds shall be applied either directly or indirectly in payment of the whole or part of any fine or penalty imposed upon any person by sentence or order of a Court of Justice.

CLAUSE 20 VERIFICATION

20.1 Any document required to be sworn, signed, or otherwise verified in connection with the affairs of LIBA may be sworn, signed, or verified by the Chairman or Secretary or such other person or persons as may be appointed for this purpose from time to time by the Council.

CLAUSE 21 SECRETARIAT

21.1 A Secretariat of LIBA may be established. The Secretariat of LIBA shall be located at the premises of a firm appointed by the Council. The Secretariat shall be paid a fee commensurate with the duties undertaken and such fee shall be fixed by the Council.