

**CONSTITUTION OF  
LABUAN INTERNATIONAL INSURANCE ASSOCIATION**

**RULES AND CONSTITUTION OF PERSATUAN INSURAN ANTARABANGSA LABUAN**  
**(THE LABUAN INTERNATIONAL INSURANCE ASSOCIATION)**

**Article 1 – NAME**

The Association shall be known as Persatuan Insuran Antarabangsa Labuan ("The Labuan International Insurance Association") hereinafter referred to as the Association.

**Article 2 – REGISTERED OFFICE/ PLACE OF MEETING**

- (a) The registered office and place of meeting of the members of the Association shall be at MNI Offshore Insurance (L) Ltd, Level 11(B), Block 4 Office Tower, Financial Park Labuan Complex, Jalan Merdeka, 87000 FT Labuan or at such other place as may be decided by the Council.
- (b) The registered address shall not be changed without the prior approval of the Registrar of Societies.

**Article 3 - SECRETARIAT**

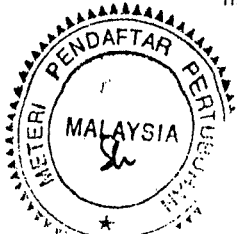
A Secretariat of the Association shall be established. The Secretariat shall be located at the premises of a firm appointed by the Council. The firm shall be paid a fee commensurate with the duties undertaken and such fee shall be fixed by the Council.

**Article 4 – TERRITORY**

The area (hereinafter referred to as "the Territory") to which the activities of the Association shall apply shall be the Federal Territory of Labuan.

**Article 5 – INTERPRETATION OF TERMS**

- A. In these Articles the following terms, unless hereinafter specifically otherwise provided, shall have the following meanings:-
- (i) "Association" means the Labuan International Insurance Association.
  - (ii) "Company" means Insurer, Reinsurer, Insurance Broker, Reinsurance Broker, Captive Insurer, Insurance Underwriting Manager, Reinsurance Underwriting Manager, Insurance Manager or Reinsurance Manager duly registered or licensed under the provisions of the Offshore Insurance Act 1990 for the time being in force in the Territory and having the object of transacting and/or engaging in insurance/reinsurance business within the Territory.
  - (iii) "Funds" means the monies of the Association obtained through levies on members and the interest income derived from such monies.
  - (iv) "Member" means a Company admitted to membership in accordance with the provisions of Article 7 of this Constitution.
  - (v) "Insurance Act" means the Offshore Insurance Act, 1990 as amended from time to time.



- B. Any other term appearing in these Articles to which a meaning is prescribed in any written law or laws for the time being in force in the Territory relating to insurance shall bear the meaning prescribed in that law or laws.
- C. In this Constitution the singular shall include the plural and vice-versa.

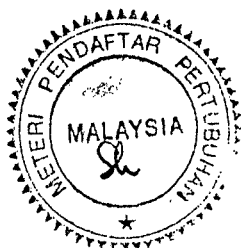
#### **Article 6 – OBJECTIVES OF THE ASSOCIATION**

The objectives for which the Association is established are

- A. To obtain and represent the views of the membership and to represent these views to the Labuan Offshore Financial Services Authority (LOFSA).
- B. To promote and represent the interests of the membership by only means and methods consistent with the laws of the International Offshore Financial Centre of the Federal Territory of Labuan.
- C. To disseminate information pertaining to events, statements and expression of opinion affecting the membership to its members and to represent its interests by expression of views thereon on its behalf.
- D. To work in conjunction with legal body or any chamber or committee or commission appointed or to be appointed for the consideration, framing, amendment or alteration of any law relating to insurance.

#### **Article 7 - MEMBERSHIP**

- A. Membership shall be open to all Companies in the Territory, which are registered or licensed under the Offshore Insurance Act 1990 to transact insurance and insurance related business.
- B.
  - (i) Membership shall be by application. The application shall be tabled at a Council Meeting and shall be ratified for registration.
  - (ii) The Secretariat of the Association shall keep and maintain a Register of Members.
  - (iii) Companies whose names have been entered in the Register of Members shall so remain registered until they cease to be a member in accordance with these Articles.
- C. Membership of the Association shall be by Company. Members shall notify the Secretary of the Association, in writing of the name of their representative and or his alternate who is authorised to attend Meetings and act on their behalf. Such representative or alternates shall be from the Senior Management of the members.



## Article 8 – OBLIGATIONS OF MEMBERS

- A. Membership of the Association requires prompt payment of all levies and membership fees. Any Member defaulting to pay such levies or membership fee within one calendar month from receipt of notification of such levies or membership fee shall be sent a further written demand for payment. If the amount due is not paid within one further calendar month from the date of such notice the Council may announce such Member as defaulter and take such further action as it deems fit.
- B. Levies may be called by the Council from time to time and such fees shall be approved at a General Meeting.
- C. The Membership fee of the Association shall be RM2,500.00

## Article 9 - COUNCIL

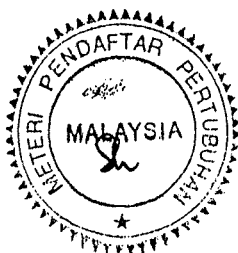
- A. (i) The Management of the Association shall be vested in a Council consisting of a minimum of 7 but shall not be more than 15 Council Members, who shall be termed the office-bearers of the Association and shall be elected once in every two years by the members of the Association at the Annual General 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.
- (ii) The Council shall consist of the following:
  - (a) a Chairman
  - (b) a Deputy Chairman; and
  - (c) a Secretary
  - (d) a Treasurer
  - (e) Three (3) but not more than <sup>eleven (11)</sup> ~~fifteen (15)~~ ordinary Council members
- (iii) The Chairman or Deputy Chairman shall be the Public Officer of the Association for purposes of Section 9 (c) of the Societies Act 1966, Malaysia, provided that the name of such person shall be declared to the Registrar of Societies and registered by him as the Public Officer of the Association for that purpose.
- (iv) Should the office of the Chairman fall vacant at any time between two Annual General Meetings, the Deputy Chairman shall be the new Chairman and he shall hold office until the date of next Annual General Meeting but he shall be eligible for re-election.
- (v) Should the office of the Deputy Chairman fall vacant at any time between two Annual General Meetings, the Council shall elect a new Deputy Chairman from amongst its remaining members and he shall hold office until the date of the next Annual General Meeting and he shall be eligible for re-election.
- (vi) Individuals on the Council who have ceased employment with a member company to which they were attached at the time of election of the Council shall cease to be members of the Council from the date of their cessation of employment with the member.



- B. (i) The Council shall appoint members of the Council as a Treasurer and a Secretary and may delegate to them such responsibilities and powers in relation to their respective positions in the Association.
- (ii) The Council shall have power to appoint solicitors and professional advisers as well as persons in other capacities.
- (iii) The Council may from time to time from amongst its members or from representatives of other members of the Association form such Committees as it may deem necessary or expedient and may deputise or refer to them such powers and duties of the Council as the Council may determine. Committees shall conduct their business in accordance with the direction of the Council.
- C. The quorum of the Council Meetings shall be 50% the number of the Members in office and a decision of the Council shall be carried by a simple majority of members present. The Chairman shall have the casting vote.
- D. (i) The Council shall meet as often as may be necessary but not less than once in six (6) months for the despatch of business and for carrying out the objectives of the Association.
- (ii) Notice of Council Meeting shall be given not less than fourteen (14) days prior to the date of meeting. In matters of extreme urgency the Chairman may convene a Meeting with 7 (seven) days notice.
- (iii) The copies of the full minutes of all Committee Meetings shall be provided to the membership.
- E. The members of the Council shall not appoint alternates to attend Meetings nor to represent them in any manner for whatsoever purpose relating to the Association's interest at Meetings or when representing the Association.
- F. The members of the Council shall not pursue the interests of their own member companies nor their own personal interest at Meetings when representing the Association.

#### **Article 10 – FUNCTIONS OF THE COUNCIL**

- A. The Council shall pursue the Objectives of the Association as specified in Clause 6 above.
- B. The Council shall also:-
- (i) organise and supervise the day-to-day activities of the Association and to make decisions on matters affecting its running within the general policy down by the General Meetings.
- (ii) supervise the collection of levies for the administration of the Association.
- (iii) incur such expenditure necessary as specified in clause 16.



## Article 11 – DUTIES OF OFFICE BEARERS

- A. The Chairman shall preside at all general meeting and all meetings of the Council and shall be responsible for the proper conduct of all such meetings. He shall have the casting vote and shall sign the minutes of such meetings at the time they are approved.
- B. The Deputy Chairman shall deputise for the Chairman during the latter's absence.
- C. The Secretary shall conduct the business of the Association in accordance with the rules of the Association and shall carry out the instructions of the General Meeting and the Council. He shall attend all meetings and record the proceedings. He shall keep and maintain a register of members.
- D. The Treasurer shall be responsible for the finance and accounts of the Association. He shall keep accounts of all financial transactions and be responsible for their correctness. He shall prepare a statement of account as at the end of each financial period for submission for approval at the Annual General Meeting.
- E. The ordinary Council members shall be assigned tasks by the Chairman during a Council meeting as and when the situation arises and to represent or head a sub-committee for the interest of the Association's members.

## Article 12 – GENERAL MEETINGS

- A. The supreme authority of the Association is vested in a general meeting of the members
- B. Types of Meetings:-
  - (i) Annual General Meeting of the Association shall be held not later than 30<sup>th</sup> June in each calendar year, to consider the annual report of the Council, to approve the annual accounts, to elect the Chairman, the Deputy Chairman and the members of the Council (during election year), to appoint the auditors and to consider any other business of which due notice in writing has been given at least fourteen (14) days before the date of the Annual General Meeting.
  - (ii) Special General Meetings of the Association may be convened by the Council when thought desirable or upon the written request of not less than one half of the total membership of the Association to approve any business in pursuance of the Objectives of the Association defined in Clause 6. Clause 12 C and D shall also apply to a special General Meeting.
- C. Location of Meetings:-

General Meetings of the Association shall be held in the Federal Territory of Labuan.
- D. Notice of Meetings:-

Except as otherwise provided herein notice of any Meeting shall be sent to all members entitled to be present, not less than fourteen (14) days before the date for which it is called and shall specify the time and place and purpose of the Meeting. In case of urgency, the Council may call a Special General Meeting at not less than seven (7) days notice. In the case of Annual General Meeting copies



of annual audited accounts of the Association for the previous year shall be sent to all members together with the notice of meeting.

E. Quorum:-

A quorum for the General Meeting shall be 50 (fifty) percent of the Members of the Association or twice.

F. Conduct of Meetings:-

The Chairman of the Council for the time being shall be Chairman of all General Meetings. In the absence of the Chairman of the Council at any General Meetings, the Deputy Chairman of the Council shall act as Chairman for the purpose of that meeting.

G. Minutes of Meetings:-

Minutes of all Meetings of the Association shall be circulated to the membership.

### **Article 13 – VOTES AT GENERAL MEETINGS**

- A. (i) Except as otherwise provided in this Constitution, the resolutions at every General Meeting shall be carried by the votes of the majority of those Members present.
- (ii) Voting shall be by show of hands unless the Chairman otherwise directs or a ballot is requested or is required in accordance with the provisions of these Articles.

### **Article 14 – RECORDS OF MEETINGS**

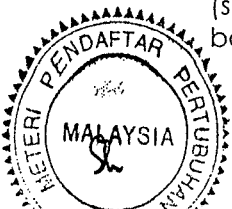
Names of Members represented at all Meetings of the Association together with those of the Representatives of such Members attending shall be recorded in the Minutes thereof.

### **Article 15 – RESOLUTIONS BINDING**

The decision of the Association taken at a General Meeting shall be binding upon all Members.

### **Article 16 – FUNDS AND FINANCE**

- A. The Funds of the Association shall only be invested in current or interest bearing deposits accounts at the appointed authorised Bankers of the Association in Malaysia.
- B. The Council shall nominate its committee members empowered to sign cheques provided that each cheque shall be signed by at least 2 (two) of the nominated persons.
- C. Proper accounts shall be kept by the Treasurer. He may hold a petty cash not exceeding RM1000 at any one time. All money in excess of this sum shall within 7 (seven) days of receipt be deposited in a bank approved by the Council. The bank account shall be in the name of the Association.



- D. No expenditure exceeding RM5,000 (Five thousand ringgit only) at any one time shall be incurred without the prior sanction of the Council and no expenditure exceeding RM50,000 (Fifty thousand ringgit only) in any one month shall be incurred without the prior sanction of a General Meeting. Expenditure of less than RM5,000 (Five thousand ringgit only) at any one time may be approved by the Chairman together with the Treasurer.
- E. The financial year of the Association shall end on 31<sup>st</sup> March.

#### **Article 17 - AUDIT**

- A. One or more persons shall be appointed at the Annual General Meeting as Honorary Auditor(s). He/They shall hold office for one year.
- B. The Auditor(s) shall be required to audit the accounts of the Association and to prepare a report for the General Meeting. He/They may also be required by the Chairman to audit the accounts of the Association for any period within his/their tenure of office at any date and to make a report to the Council.

#### **Article 18 - CESSATION OF MEMBERSHIP**

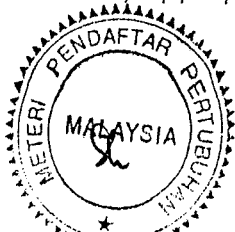
- A. Companies whose names have been entered in the Register of Members shall so remain registered until they notify the Secretary of the Association in writing that they wish to cease to be members of the Association.
- B. Any Member who has been deregistered as a Company in accordance with the provisions of the Offshore Insurance Act 1990 automatically ceases to be a Member, and the Member's name shall thereupon be struck off the Register of Members.
- C. A Member who shall cease to be a Member shall notwithstanding its cessation as a Member, be liable to pay:-
- (i) any levies called for by the Association up to and inclusive of the date of his cessation as a Member; and
  - (ii) any levies called subsequently which relate to expenditure incurred prior to its cessation as a Member.

#### **Article 19 – PRIVACY OF MEETINGS AND PROCEEDINGS**

All meetings and proceedings thereat and all publications and circulars of the Association shall be private and confidential.

#### **Article 20 – UNAUTHORISED COMMUNICATIONS**

Only the Chairman and in his absence the Deputy Chairman may make statements representing the views of the Association to any outside body. In the event of statements being made by any member on behalf of the Association other than by the Chairman or in his absence, the Deputy Chairman, such communication should be dealt with by the Council by appropriate action at a General Meeting of the membership.



## **Article 21 – INDEMNIFICATION OF OFFICERS**

The Council, while acting as a Body or the members of the Committee individually in the performance of their duties as such and the Secretary at all times shall not be indemnified out of the funds or assets of the Association against the consequence of the performance of any act, deed matter or thing done or omitted to be done by the aforesaid Council, or the members of the Committee or the Secretary in respect of or in connection with the business of the Association.

## **Article 22 – PROHIBITIONS**

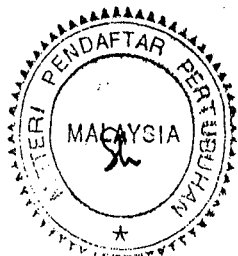
- A. The Association shall not engage in any commercial or business activity.
- B. The Association shall not hold nor own any investments save as provided for in Clause 16A.
- C. The Association shall not be involved in any gaming activity or hold any lottery, whether confined to its Members or not, in the name of the Association or its Committees.
- D. Neither the Association nor its Council shall be involved in any political activity nor allow the Association's funds to be used for any political activity or purposes.
- E. The Association shall not attempt to engage in any Trade Union activity as defined in the relevant legislation applicable to Trade Unions in the "Territory".
- F. The Association is not allowed to have any affiliation or connection outside Malaysia without prior approval of the membership at General Meeting and the prior written approval of the Registrar of Societies.
- G. The Association shall not allow its funds to be used for charitable purposes or for sponsorship or other form of donations or for any form of external promotional activities including advertising.
- H. Neither the Association nor its Council shall at any time knowingly or unknowingly cause any provision of the Societies Act 1966 to be contravened.

## **Article 23 – INTERPRETATION OF RULES**

Between General Meetings, the Council shall interpret the rules of the Association and when necessary, determine any point on which the rules are silent.

## **Article 24 - DISSOLUTION**

If at any Special General Meeting a resolution for the dissolution of the Association shall be passed by a majority of three fourths of the members of the Association, the Council shall thereupon, or at such future date as shall be specified in such resolution, proceed to wind up the Association. The assets of the Association after all liabilities have been paid shall be distributed to members equally. Notice of dissolution shall be given within (14) fourteen days of the dissolution to the Registrar of Societies.



## Article 25 – AMENDMENT OF CONSTITUTION

- A. These Articles may not be added to, repealed or amended by resolution at any General Meeting unless there is a quorum of 50 (Fifty) per cent of the Members entitled to be present and unless the Resolution is carried by a majority of three-fourths of the Members present and voting at the meeting.
- B. These amendments shall take effect from the date of their approval by the Registrar of Societies.

## Article 26 – LOGO (Appendix A)

### A. Physical Description

The four curves and the oval shadow are formed by two colours in gradient. The colours are dark blue and light blue. The letter " I " in black is centered within the four curves

### B. Meaning of Colours

An " I " has always been interpreted as personal recognition symbol. " I " symbolise individuality services provided by LIA. Meaning, LIA always cater for their clients needs with personal attention. The circle depicts protection and care in LIA services in order to maintain high quality services towards the clients.

The Black colour for the " I " represents a solid organisation. The Blue colour gives a bolder and vibrant approach by the company strategically when faced by tomorrow's challenge and uncertainty.

Signature:

.....  
Name: Jeremy Camps  
Position: Chairman, LIA



Signature:

.....  
Name: Keiichi Maruyama  
Position: Deputy Chairman, LIA

Tarikh Pindaan  
Diluluskan

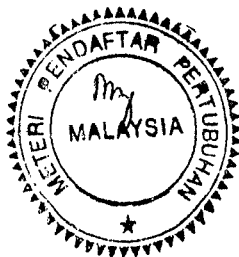
15 FEB 2006

**AMENDMENT TO THE RULES AND CONSTITUTION OF  
PERSATUAN INSURANCE ANTARABANGSA LABUAN  
(LABUAN INTERNATIONAL INSURANCE ASSOCIATION)  
PPP/SBH : 77/97**

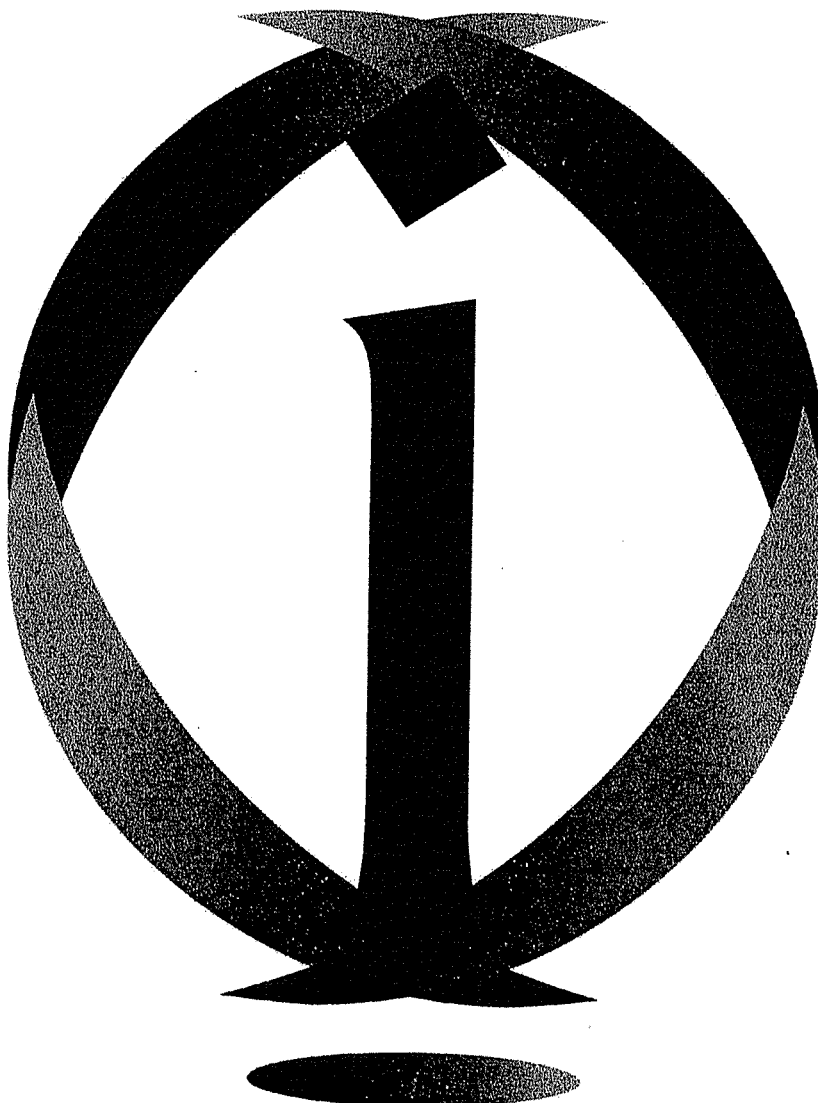
1. Article 16.E shall be amended to read as follows:

E. The financial year of the Association shall end on 31<sup>st</sup> December.

.....  
Mr.Jeremy Camps  
Chairman LIIA



.....  
Mr.Steve Baker  
Secretary LIIA



Signature: \_\_\_\_\_

Name: Jeremy Camps  
Position: Chairman, LIA



Signature: \_\_\_\_\_

Name: Keiichi Maruyama  
Position: Deputy Chairman, LIA

Tarikh Pindaan  
Diluluskan

28 OGOS 2006

**AMENDMENT TO THE RULES AND CONSTITUTION OF  
PERSATUAN INSURANCE ANTARABANGSA LABUAN  
(LABUAN INTERNATIONAL INSURANCE ASSOCIATION)**

THE

**Registration Number: 652**

**PPP/SBH: 77/97**

1. Article 10.B. (iii) shall be amended to read as follows:

(iii) incur such expenditure necessary as specified in clause 16 which shall include:

(a) reimbursements on accommodation, entertainment, meals, transportation and other expenses as reasonably incurred when attending functions wholly and exclusively on behalf of the Association.

(b) The expenses in (a) above are incurred by a member of the Council or any persons approved by the Council.

2. Article 22.G. shall be amended to read as follows:

G. The Association shall not allow its funds to be used for charitable purposes or for sponsorship or other form of donations.

Jeremy C. Camps  
Chairman LIIA

Steve Baker  
Secretary LIIA

