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**CONSTITUTION**

**OF**

**PERSATUAN AKTUARI MALAYSIA**  
**(ACTUARIAL SOCIETY OF MALAYSIA)**

**July 2011**

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PERSATUAN AKTUARI MALAYSIA  
(ACTUARIAL SOCIETY OF MALAYSIA)**

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***ARTICLE 1 – NAME***

The name of the Society is “Persatuan Aktuari Malaysia (Actuarial Society of Malaysia)” hereinafter referred as “The Society”.

***ARTICLE 2 – REGISTERED ADDRESS***

The registered address of the Society shall be:-

c/o Life Insurance Association of Malaysia (LIAM)  
No 4, Lorong Medan Tuanku 1  
Medan Tuanku  
50200 Kuala Lumpur

or such other address as may from time to time be determined by the Society, provided that the address shall not be changed without the prior approval of the Registrar of Societies.

The postal address of the Society shall be:-

Malaysian Life Reinsurance Group Berhad  
3B/21-3 Block 3B  
Level 21 Plaza Sentral  
Jalan Stesen Sentral 5  
50470 Kuala Lumpur

***ARTICLE 3 – FLAGS, SYMBOLS, BADGES OR OTHER INSIGNIA***

None

#### **ARTICLE 4 – PLACE OF MEETING**

The meetings of the Society shall be held at the registered address or at such other place as the Council may decide.

#### **ARTICLE 5 - OBJECTS**

##### Section 1 – Objects of the Society

- (a) To promote and maintain high standards of competence and conduct within the actuarial profession in Malaysia and to be guided by the Professional Code of Conduct.
- (b) To promote the standing of the actuarial profession in Malaysia, and raise the public esteem of the profession.
- (c) To provide a source of reference on actuarial matters for the Government of Malaysia, regulatory authorities, and other interested bodies.
- (d) To take such action as a Society as may be agreed upon at a General Meeting of the Society in respect of any matter that is relevant to the actuarial profession.
- (e) To promote the study and discussion of, research into and the publication of matters relating to:-
  - (i) the application of economic, financial and statistical principles to practical problems, and
  - (ii) the actuarial, economic and allied aspects of life assurance, non-life insurance, employee retirement benefits, finance and investment.with particular reference to Malaysia.
- (f) To assist students in the course of their actuarial studies.
- (g) To foster and encourage social relationships amongst actuaries both within Malaysia and internationally.

##### Section 2 – Neutrality and Impartiality

It is the policy of the Society, while observing strict neutrality, to be concerned with international and national affairs which relate to its objects, avoiding discussion or action on party political and sectarian religious questions.

## **ARTICLE 6 – MEMBERSHIP**

### Section 1 – Membership of the Society

Persons may be admitted into the Society in one of the four classes:-

- (a) Fellows;
- (b) Associates;
- (c) Ordinary Members;
- (d) Student Members

Fellows, Associates and Ordinary Members shall be entitled to vote, hold office, make nominations and generally exercise the rights to full membership. Student Members shall be entitled to be present at meetings of the Society, to present papers and to join in discussions at such meetings. They are not entitled to make nominations, to hold office and to vote.

### Section 2 – Fellows

- (a) Any person who makes an application for admission as a Fellow of the Society by completion of the prescribed application form may become and remain a Fellow of the Society provided that person:-
  - (1) Is a Fellow of the Institute of Actuaries in England, or the Faculty of Actuaries in Scotland, or the Society of Actuaries in the United States, or the Canadian Institute of Actuaries, or the Institute of Actuaries of Australia, or the Casualty Actuarial Society in the United States.
  - (2) Is recommended by two (2) Fellow member of the Society.
  - (3) Is approved for admission to membership by the Council;
  - (4) Is ordinarily resident in Malaysia, or in the opinion of the Council is familiar with Malaysian conditions;
  - (5) Has paid the prescribed entrance fee and subscription for the year; and
  - (6) Has served in the Malaysian actuarial services for a period of at least one (1) year.
- (b) A person who is a Fellow member of the Society as at 31 March 2010 will be granted the Fellow of Actuarial Society of Malaysia (FASM) designation automatically.
- (c) Any Fellow members who had failed to renew their membership prior to 31 March 2010 and their names have been removed from the register of members will need to qualify the criteria as mentioned in paragraph (a) to be re-admitted as a Fellow member.

Section 3 – Associates

Any person who is not qualified to be a Fellow of the Society who makes an application for admission as an Associate of the Society by completion of the prescribed application form may become an Associate of the Society provided that person:-

- (a) Is an Associate of the Society of Actuaries in the United States, or the Institute of Actuaries in England, or the Faculty of Actuaries in Scotland, or the Institute of Actuaries of Australia, or the Casualty Actuarial Society in the United States, or the Canadian Institute of Actuaries, or has passed examinations of any of the professional actuarial bodies as recognized for Fellow, which in the opinion of the Council are of equivalent status to the examinations which must be passed to become an Associate of that Society of Actuaries;
- (b) Is approved for admission to membership by the Council; and
- (c) Has paid the prescribed entrance fee and subscription for the year.

Section 4 – Ordinary Members

Any person who is not qualified to be a Fellow or an Associate of the Society who makes an application for Ordinary membership by completion of the prescribed application form may become an Ordinary Member of the Society provided that person:-

- (a) Is nominated by two members of the Society;
  - (1) The applicant is an Ordinary member of a professional actuarial society or has passed at least one part or subject of the examinations of a professional actuarial society which has no class of Ordinary membership and is continuing to study for the other examinations of such society;
  - (2) The applicant has completed an actuarial course or other related statistical course in a university, a college, or any other academic institute and has achieved a qualification thereof; or
  - (3) The applicant is performing actuarial or other related work in a life or non-life insurance company, government office or an actuarial consulting office;
- (b) Is approved for admission to membership by the Council; and
- (c) Has paid the prescribed entrance fee and subscription for the year.

Section 5 – Student Members

Any person who makes an application for Student membership by completion of the prescribed application form may become a Student Member of the Society provided that person:-

- (a) Is nominated by any two (2) persons delegated by the Vice-Chancellor of the University.
- (b) Does not meet the requirements for admission as a Fellow, Associate or Ordinary member of the Society or meets any such requirement but not being gainfully employed chooses to seek Student membership;
- (c) Has a declared interest in actuarial matters;
- (d) Must be an undergraduate/post graduate student taking actuarial-related program at the time of application.
- (e) Is approved for admission to membership by the Council;
- (f) Has paid the prescribed entrance fee and subscription for the year

Section 6 – Discipline

- (a) In the event of a charge being made to the Council that the conduct of a member is unprofessional or otherwise of such a nature as may be considered likely to bring discredit to the Society (whether that conduct is in relation to the Society or its members, or otherwise), the Council shall have power to make such investigation and to require such information and explanations as it may think proper as prescribed in the Professional Code of Conduct (PCC).
- (b) In all proceedings under this section, the Council shall decide, directly or upon review of the findings of a sub-committee appointed by it, whether or not misconduct has occurred. If the Council finds that misconduct has occurred, it may warn, admonish, reprimand, suspend or expel the member from the Society (and may report its findings to any other actuarial society to which the member belongs) provided that:-
  - (1) no order reprimanding, suspending, or expelling a member shall be issued except after a hearing before the Council at which the member concerned shall have the right to speak, and
  - (2) no disciplinary action to warn, admonish, reprimand, suspend or expel a member shall take effect unless and until the member has been afforded a period of appeal of thirty (30) days following the date of the preliminary notice of disciplinary action being served upon him.

- (c) Any disciplinary action taken against a member will be communicated to all Society members and the Society may, at its discretion, report its findings to any other actuarial society to which the member belongs.

Section 7 – Appeal Process

- (a) An appeal may be made in respect of disciplinary action as described in Section 6, by any involved party. All appeals shall be made in writing, directly to the Council, and shall include oral and documentary evidence as is necessary, as well as all details necessary to verify and corroborate the evidence.
- (b) Upon receipt of such an appeal, the Council shall appoint an Appeals Committee consisting of at least three (3) members selected from the ranks of Fellows, who have not been involved in the original investigation, deliberation and recommendation of the Council or any sub-committee appointed by it to investigate the complaint. The Council may also appoint a non-member, such as a legal adviser, to the Appeals Committee, if his area of expertise is relevant to the case being considered.
- (c) Any member of the Appeals Committee who may have been involved in the substance of the complaint, or participated in the original investigation, deliberation and recommendation, should exclude himself from appointment to the Appeals Committee.
- (d) Decisions arising from the appeal process shall be final until such time that there are grounds for a fresh appeal, in particular, if there is obtained and submitted, new evidence not presented before, or previously submitted evidence deemed inaccurate based on new information, that could lead to a different judgement.

**ARTICLE 7 – DUES**

Section 1 – Entrance Fee

Each member shall, upon admission to the Society, pay an entrance fee of RM10.

Section 2 – Annual Subscription

- (a) Each member shall in each financial year pay an annual subscription as follows:-
- |                 |       |
|-----------------|-------|
| Fellow          | RM120 |
| Associate       | RM80  |
| Ordinary member | RM30  |
| Student member  | RM10  |
- (b) Annual subscriptions are not refundable on the resignation of a member.

- (c) It shall be the duty of the Secretary to notify by mail any member whose annual subscription remains unpaid two months after the commencement of the financial year. If the subscription remains unpaid thirty-one days after such notice has been given, the name of the member shall be removed from the register of members of the Society. The person concerned may be reinstated to membership upon approval of his application by the Council, and upon payment of reinstatement fee and such arrears of subscription as the Council may require. Dues are payable in full at the beginning of each financial year with no prorating for entry after the beginning of the financial year.

*Section 3 – Late Payment Charges*

Any subscriptions that remain unpaid one month after the commencement of the financial year will be subjected to late payment charges as follows:

Payment Received	Late Payment Charges
By 31 <sup>st</sup> December of the closing financial year	Nil
Between 1 <sup>st</sup> January to 31 <sup>st</sup> January of the new financial year	RM10
Between 1 <sup>st</sup> February to 31 <sup>st</sup> March of the new financial year	RM20

*Section 4 – Reinstatement Fee*

The Council shall have power to fix a reinstatement fee for any person who has allowed his membership to lapse through arrears and the name has been removed from the register of members. The reinstatement fee is RM50.

***ARTICLE 8 – RESIGNATION***

Any member who wishes to resign from the Society shall give two weeks’ notice in writing to the Secretary, and shall pay any annual subscription which is due but unpaid.

***ARTICLE 9 – ELECTION OF OFFICERS***

- (a) Officers except President, President-Elect and Immediate Past President shall be elected at the Annual General Meetings of the Society once every two years. President-Elect shall be elected at the next Annual General Meeting after the other officers have been elected in the preceding Annual General Meeting. Retiring officers shall be eligible for re-election provided that no member shall be elected as President for more than one (1) and as Treasurer for more than two (2) terms in succession. No officer shall hold more than one (1) position at any time.

- (b) The incoming Council and officers shall take office at the conclusion of that Annual General Meeting.
- (c) Candidates for election as officers must be proposed by one and seconded by another member of the Society, and must be present at the Annual General Meeting or have earlier indicated in writing to the Secretary their willingness to serve if elected.
- (d) A candidate for election as President, Vice-President, President-Elect or Treasurer of the Society must be a Fellow. Fellows, Associates and Ordinary Members can be elected as the other Council members.
- (e) The Council may co-opt members to fill casual vacancies except President and President-Elect that may arise. In the event of a vacancy in office of President, that vacancy shall be filled by the Vice-President. In the event of a vacancy in office of President-Elect, Extraordinary General Meeting must be conducted to elect a new President-Elect.
- (f) Once an officer is elected as the President-Elect, he shall immediately take the position of President-Elect and at the same time immediately abdicate from the position (if any) he holds before he is elected as the President-Elect. The position vacated by the President Elect shall be filled by election in the same General Meeting. If an officer runs for President-Elect but fails to be elected, he shall be reinstated to the original position without additional voting.
- (g) All officers elected, except President Elect and officers co-opted, shall hold office for two (2) years. All officers co-opted shall hold office until the next Annual General Meeting at which new officers are elected.

## ***ARTICLE 10 – MEETINGS***

### ***Section 1 – Ordinary Business Meetings***

An ordinary business meeting may be held at such times as may be determined by the Council. These meetings shall be devoted to the presentations of actuarial papers, to informal discussion of actuarial matters of mutual interest, and to such other business as may be presented before the Society.

### ***Section 2 – Annual General Meeting***

- (a) The Annual General Meeting shall be held within two months following the end of each financial year, and shall be devoted to :
  - (1) receive the President’s address

- (2) receive the Secretary's report
  - (3) pass the audited Statement of Accounts for the previous financial year
  - (4) elect the Office Bearers other than the President, President-Elect and Immediate Past President for the following two (2) years if relevant
  - (5) elect the President-Elect for the following one (1) year if relevant
  - (6) decide on any resolution proposed pursuant to Article 16 or any other resolution which may be submitted to the Secretary in writing by any member at least seven days in advance of the meeting.
- (b) Within sixty (60) days after the date of each Annual General Meeting, the Council shall ensure that there is forwarded to the Registrar of Societies in such form as the Registrar may from time to time require:-
- (1) a true and complete copy of any amendments to the Constitution of the Society made since the date of its registration under the Societies Act 1966 or of the last return to the Registrar;
  - (2) a true and complete list of the Society's officers and the elected members of the Council, and the number of members of the Society residing in Malaysia or present therein at the date of such return;
  - (3) the address of the Society;
  - (4) the Statement of Accounts for the last financial year of the Society;
  - (5) the name and address of any society, association or other body of persons, incorporated or unincorporated, outside Malaysia affiliated to the Society or to which the Society is affiliated;
  - (6) the description of any money or property, or any pecuniary benefit or advantage received by the Society from any person ordinarily resident outside Malaysia or an organisation, authority, government or agency of any government, outside Malaysia; and
  - (7) such other information as the Registrar of Societies may from time to time require.

### Section 3 – Extraordinary General Meetings

An Extraordinary General Meeting may be called:-

- (a) by the President or the Council or by not fewer than five members (other than Student Members);
- (b) on one month's notice in writing to the Secretary, stating the business to be transacted; and
- (c) to deal only with the business specified in the notice calling the meeting.

#### Section 4 – Notice of Annual General Meeting and Extraordinary General Meetings

Fourteen days notice shall be given of the Annual General Meeting and of any Extraordinary General Meeting by circular to members. A copy of the audited Statement of Accounts for the previous year shall accompany the notice of the Annual General Meeting.

#### Section 5 – Voting at Meetings

- (a) Voting on any question at any meeting shall be by a show of hands or, if so requested by any member present by secret ballot conducted in such manner as shall be determined by the Chairman of the meeting.
- (b) Votes shall be given personally, provided that any member (other than a Student Member) who is not personally present at the meeting shall be entitled to appoint another member (other than a Student Member) as a proxy to vote on the absent member's behalf, by notice in a form approved by the Council which is given to the Secretary prior to the commencement of that meeting.

#### **ARTICLE 11 – PROCEEDING AT MEETINGS**

- (a) At least one-half of the total number of members (other than Student Members), or twice the number of Council Members (whichever is less), shall constitute a quorum for the Annual General Meeting or any Extraordinary General Meeting.
- (b) Four members of the Council shall constitute a quorum for a Council meeting, for which at least seven days notice shall be given unless all of the members of the Council then in Malaysia shall agree upon shorter notice.
- (c) The President, or in the President's absence the Vice-President, or in the absence of the President and the Vice-President the President-Elect, shall preside as Chairman at the Annual General Meeting, any Extraordinary General Meeting or Council meeting. In the absence of the President, Vice-President and President-Elect, one of the members present shall be selected by those members present with voting rights to preside as Chairman.

- (d) Except as otherwise provided in this Constitution, the passing of resolutions at any meeting shall be decided by a simple majority of votes. The President or other person presiding as Chairman of a meeting shall have a personal vote (provided that the Chairman is a member with voting rights), and in the event of any equality of votes shall have a casting vote.
- (e) If within half an hour from the time appointed for the Annual General Meeting or any Extraordinary General Meeting a quorum is not present, the meeting shall be adjourned for such period as the Chairman shall select, not being less than two weeks and not exceeding three weeks. Seven days notice of the reconvening of such adjourned meeting shall be given to all members by circular posted to their last known address. If the members present are again insufficient to form a quorum, those present shall constitute a quorum but they shall have no power to add, amend or alter any of the provisions of this Constitution.

## ***ARTICLE 12 – THE COUNCIL***

### ***Section 1 – Office Bearers***

The Society shall be governed by the Council to be composed of the following:-

The President  
The Vice-President  
The Secretary  
The Treasurer  
Four Ordinary Committee Members  
The Immediate Past President / The President-Elect

With the exception of the President, the President-Elect and the Immediate Past President, all officers of the Council shall be in the office for two (2) years or until such time the position is filled by newly elected officers, whichever comes first. The President, Vice-President and President-Elect shall be Malaysian citizens. Non-Malaysian citizens may hold the other positions in the Council with the prior approval of the Registrar of Societies.

The Council shall have powers:-

- (a) to invest and otherwise deal with the funds of the Society and to incur such expenses in pursuit of the objects of the Society as it may deem necessary.
- (b) to decide on such subjects or matters as are referred to it by members and which fall within the objects and powers of the Society.
- (c) to appoint such sub-committees as may be deemed necessary.

- (d) to co-opt (without power to vote) other members or other interested parties for the purpose of dealing with particular subjects.
- (e) to receive, investigate and approve or reject applications for admission to membership of the Society.
- (f) to plan and make arrangements for the activities of the Society, including the preparation of assistance programmes for actuarial students and the arrangements for all meetings of the Society.
- (g) to consult with any other body dealing with matters of common interest.
- (h) to decide the fees/dues for the membership to the Society.

#### Section 2 – Duties and Powers of the President

- (a) The President shall preside as Chairman at all meetings of the Society and all meetings of the Council and shall be responsible for the proper conduct of all such meetings. As Chairman of such meetings the President shall have the casting vote and shall sign the minutes of each meeting at the time they are approved.
- (b) The President is empowered to make written statements concerning actuarial and related matters, on behalf of the Society, provided such written statements have been approved by the majority of the Council. Such statements shall be circulated to Voting Members, wherever practicable prior to their publication.
- (c) If the President is called upon to make verbal statements or comments on behalf of the Society concerning actuarial or related matters, he shall, wherever practicable first seek the views and guidance of the Council.
- (d) The President, with the approval of the Council, may delegate his powers to make written or verbal statements on behalf of the Society to the Vice-President or to another Fellow.

#### Section 3 – Duties of the Vice-President

The Vice-President shall deputise for the President during any absence of the President.

#### Section 4 – Duties of the Secretary

The Secretary shall conduct the business of the Society in accordance with this Constitution, and shall carry out the instructions of General Meetings and of the Council. The Secretary shall be responsible for conducting all correspondence and keeping a register of members and all

books, documents and papers except the accounts and financial records. The Secretary shall attend all General Meetings and Council meetings, and record their proceedings.

Section 5 – Duties of the Treasurer

- (a) The Treasurer shall be responsible for the finances of the Society, shall keep all funds and collect and disburse all moneys on behalf of the Society, and shall keep proper books of account of all monetary transactions and shall be responsible for their correctness.
- (b) As at the end of each financial year, the Treasurer shall draw up a Statement of Accounts which shall include a statement of income and expenditure during that financial year and a balance sheet as at the end of the financial year. The Statement of Accounts shall be audited by the Auditor appointed under Article 14. The audited Statement of Accounts shall be submitted for the approval of the next Annual General Meeting, and copies shall be made available at the registered address of the Society for the perusal of members.

Section 6 – Duties of the Ordinary Committee Members

The Ordinary Committee Members shall carry out such duties as decided by the Council.

Section 7 – Duties of the Immediate Past President

The Immediate Past President shall be responsible to give advice to the Council and shall have a vote in all Council meetings. The Immediate Past President shall abdicate after President-Elect is elected in the Annual General Meeting.

Section 8 – Duties of the President-Elect

President-Elect will take over the responsibilities of President once President finishes his term in office. President-Elect shall deputise for President during any absence of President and Vice-President.

**ARTICLE 13 – FUNDS**

- (a) The financial year of the Society shall be from the first day of January in each year to the thirty-first day of December in the same year.
- (b) The Treasurer may hold a petty cash advance not exceeding the sum of fifty Ringgit (RM50/-) or such other amount as may be determined by the Council. All moneys in excess of this amount shall be deposited to the credit of a bank account maintained in the name of the Society at a bank determined by the Council.

- (c) Withdrawals from the Society's bank account shall be signed by the President and the Treasurer, or any other two persons who may be nominated by the Council.
- (d) No expenditure exceeding one hundred Ringgit (RM100/-) or such other amount as may be determined by the Council shall be incurred in any one amount without the prior sanction of the Council.
- (e) The funds of the Society shall be used to meet the expenditures of the Society only, and shall not be used for any other purpose.

#### ***ARTICLE 14 – AUDIT***

A member or other person, not being an officer of the Society either in the past year or ensuing year, shall be elected as Auditor at the Annual General Meetings once every two years or at an Extraordinary General Meeting and will hold office for two (2) years. The Auditor shall not hold office for more than two financial years consecutively. The Auditor shall audit the Statement of Accounts for the current financial year, and shall present a report on the Statement of Accounts to the next Annual General Meeting. The Auditor shall also, if so required by the President, audit during his tenure of office the Society's accounts for any earlier period and make a report on that audit to the Council.

#### ***ARTICLE 15 – PROHIBITIONS***

##### ***Section 1 – Misuse of Funds***

The funds of the Society shall on no account be used to pay the fine of any member who may have been convicted in a court of law.

##### ***Section 2 – Restrictive Practices***

The Society shall not attempt to restrict or in any other manner interfere with trade or prices or engage in any Trade Union activity as defined in any written law relating to Trade Unions for the time being in force in Malaysia.

##### ***Section 3 – Lotteries***

The Society shall not hold any lottery, whether confirmed to its members or not, in the name of the Society or its officers, Council or members.

*Section 4 – Political Activities*

The Society shall not engage in any political activity, or allow its funds to be used for political purposes.

*Section 5 – University Student*

A University or University-College student shall not be admitted to membership without the prior approval of the Vice-Chancellor of the University concerned or any two (2) persons delegated by the Vice-Chancellor of the University.

**ARTICLE 16 – AMENDMENTS**

- (a) This Constitution may be amended by an affirmative vote of not less than three-quarters of the members (other than Student Members) voting personally or by valid proxy at an Annual General Meeting or any Extraordinary General Meeting, provided that at least fourteen days notice of the proposed amendments has been given by circular to members. The amendments shall only come into effect with the approval of the Registrar of Societies.
- (b) Within sixty (60) days following a General Meeting at which a resolution to amend the Constitution was duly proposed and carried, the Council shall ensure that application is made to the Registrar of Societies for his approval of such amendment.

**ARTICLE 17 – INTERPRETATION**

In the event of any question or matter arising out of any point which is not expressly provided for in this Constitution, the decision of the Council shall be final unless and until it is over-ruled by a General Meeting.

**ARTICLE 18 – DISSOLUTION**

- (a) The Society shall not be dissolved except with the consent of not less than three-fifths of the members (other than Student Members) who are for the time being resident in Malaysia expressed at an Extraordinary General Meeting convened for the purpose.
- (b) In the event of the Society being dissolved as provided above, all debts and liabilities legally incurred on behalf of the Society shall be fully discharged, and if the funds of the Society are insufficient the shortfall shall be shared among the ordinary and associate

members prorated to their annual subscriptions. If there then remain any funds of the Society, those funds shall be donated to a charitable organisation in Malaysia approved by the members at the Extraordinary General Meeting referred to above, or at the subsequent Extraordinary General Meeting.

- (c) Within twenty-eight (28) days following an Extraordinary General Meeting at which a resolution to dissolve the Society was duly proposed and carried, the Council shall ensure that application is made to the Registrar of Societies for his cancellation of the Certificate of Registration of the Society under the Societies Act 1966.

#### ***ARTICLE 19 – TRUSTEES***

- (a) If the Society shall acquire any immovable property, three Trustees, who must be over 21 years of age, shall be appointed at a General Meeting and shall hold office during the pleasure of the Society. They shall have vested in them all immovable property whatsoever belonging to the Society and shall deal with it in such manner as the Council may direct.
- (b) The Trustees shall not sell, withdraw or transfer any of the property of the Society without the consent and authority of a General Meeting of members.
- (c) A Trustee may be removed from office by a General Meeting on the grounds that, owing to ill health, unsoundness of mind, absence from Malaysia or for any other reason, he is unable to perform his duties or unable to do so satisfactorily. In the event of the death, resignation or removal of a Trustee the vacancy shall be filled by a new Trustee appointed by a General Meeting.