

## CHARTERED TAX INSTITUTE OF MALAYSIA

Minutes of the 27<sup>th</sup> Annual General Meeting (AGM) held on Saturday, 22 June 2019 at 9.30 a.m. at the Nusantara Ballroom 2, Level 2, Sheraton Imperial Kuala Lumpur, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan.

<b>Present:</b>	Ms Seah Siew Yun (Chairperson) Puan Farah Binti Rosley Ms Phan Wai Kuan Mr K Sandra Segaran A/L Karuppiyah Mr Chow Chee Yen Ms Yeo Eng Ping Mr Koong Lin Loong Mr Lai Shin Fah @ David Lai Encik Mohd Noor Bin Abu Bakar Mr Chow Tuck Him Mr Leow Mui Lee Mr Theneshkannaa A/L Kannan @ Renganathan Kannan Ms Low Geok Ping Mr Soh Lian Seng
<b>Absent with Apologies:</b>	Encik Zulfahmy Bin Ibrahim Mr Nicholas Anthony Crist
<b>In Attendance</b>	Mr P Thomas Simon - Executive Director  Ms Cynthia Louis - Company Secretary Ms Venodhini Batumallai- representing Corporate Partners (Asia) Sdn. Bhd.
<b>By invitation</b>	Mr David Siew - representing Messrs Sekhar & Tan Mr Yan Yok Seng - representing Messrs Sekhar & Tan Mr Chan Wei Heng - representing Boardroom Share Registrars Sdn. Bhd. (formerly known as Symphony Share Registrars Sdn. Bhd.
<b>Members' Attendance</b>	A total of 46 members were present and 67 valid proxies were received representing 1.29% and 1.88% respectively of the Institute's total membership and were recorded in the attendance register.
<b>1.</b>	<b>CALL TO ORDER</b>  The Chairperson called the meeting to order at 9.30 a.m.  It was highlighted that registration had been opened that morning from 8.30 a.m. to 9.30 a.m.

2.	<p><b>NOTICE OF MEETING</b></p> <p>The Chairperson informed the members that the notice convening the 27<sup>th</sup> Annual General Meeting ("AGM") had been sent to the members in accordance with the Institute's Constitution. There being no objection, the notice of the meeting was taken as read.</p>
3.	<p><b>DETERMINATION OF QUORUM</b></p> <p>Having confirmed with the Company Secretary that there was a quorum present in accordance with Article 48(1) of the Institute's Constitution, the Chairperson called the meeting to order at 9.30 a.m.</p>
4.	<p><b>ELECTION OF FOUR (4) COUNCIL MEMBERS</b></p> <p>The Chairperson sought consensus from all members present to proceed with the agenda in the following order, to expedite the meeting process: -</p> <ol style="list-style-type: none"> <li>1) Agenda 2: Election of four (4) council members for the 2019/2023 term</li> <li>2) Agenda 3: To receive the Annual Report and Financial Statements of the Institute for the year ended 31 December 2018 together with the Auditors' Report</li> <li>3) Agenda 4: To re-appoint Messrs Sekhar &amp; Tan as the Auditors for the ensuing year</li> <li>4) Agenda 5: Any other business</li> </ol> <p>The abovementioned proposal was agreed by a majority of the members present.</p> <p>The meeting proceeded with the election of the four (4) council members for the 2019/2023 term.</p> <p>The Chairperson announced that there were 4 candidates seeking election for 4 posts in the Council for the 2019/2023 term.</p> <p>Madam Seah Siew Yun (3062) ("Madam Seah") and Mr K Sandra Segaran A/L Karuppiah (1534) are to retire pursuant to Article 59 of the Institute's Constitution and are not eligible for re-election pursuant to Article 58B. Mr Lai Shin Fah @ David Lai (1207) and Mr Koong Lin Loong (1199) are to retire pursuant to Article 59 of the Institute's Constitution and offers themselves for re-election.</p> <p>There were 2 nominations received by the Institute for election at this AGM, namely Mr Alan Chung Ch'ung Yit (3647) and Mr Chong Mun Yew (2069).</p> <p>Upon the Chairperson's invitation, Mr Lai Shin Fah @ David Lai (1207), Mr Koong Lin Loong (1199), Mr Alan Chung Chu'ng Yit (3647), and Mr Chong Mun Yew (2069). introduced themselves and highlighted on how they could contribute to the Institute if they were elected or re-elected as a Council Member.</p>

	<p>The Chairperson then invited Mr Chan Wei Heng ("Mr Chan") from Boardroom Share Registrars Sdn. Bhd. (formerly known as Symphony Share Registrars Sdn. Bhd.) ("Boardroom"), the Poll Administration Agent to brief members on the ballot process and number of proxies received.</p> <p>Mr Chan informed the members that as at 9.30 a.m., 67 valid proxies representing 1.88% of the Institute's total membership had been received. Members were requested to cast their vote by marking an "X" in the box next to the name of the candidates in the ballot slip provided during registration and deposit the same in the ballot box placed in Ballroom 2.</p> <p>The Meeting then adjourned at 10.00 a.m. for the ballot to be carried out and resumed at 10.20 a.m.</p>
5.	<p><b>PRESIDENT'S ADDRESS</b></p> <p>After all the votes had been cast, the Chairperson continued with the proceedings whilst waiting for the Poll Administration Agent to count the votes.</p> <p>The Chairperson presented the President's Address and a video on the activities of the Institute for the past year was then presented to the members.</p>
6.	<p><b>ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE INSTITUTE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TOGETHER WITH THE AUDITORS REPORT</b></p> <p>The Annual Report and Financial Statements for the financial year ended 31 December 2018 ("AFS") and the Report of the Auditors thereon having been circulated to all the members of the Institute within the statutory period were tabled before the meeting.</p> <p><b>Staff Remuneration</b></p> <p>Mr Lew Nee Fook @ Liu Nee Choong ("Mr Lew") (1840) stated that pursuant to Section 230 of the Companies Act, 2016, prior approval of members shall be required for Directors' Fees payable by a company. Mr Lew further enquired on the reason that the Directors' Remuneration had not been disclosed in the 2018 AFS. Mr Lew stated that the members are entitled to know if the Council is spending the funds of the Institute for proper purposes.</p> <p>The Chairperson highlighted to the members that Mr Lew had issued a letter to the Council prior to the AGM and had raised several queries and concerns. One of the concerns that was raised was that the Council should consider to form a Remuneration Committee. Mr Lew had also requested that the Council should list out the number of Institute's employees, their job scope and salaries in the AFS.</p> <p>The Chairperson then sought the opinion from the External Auditors on the disclosure requirement of the Directors' Remuneration in the AFS and whether the formation of Remuneration Committee was required. Mr David Siew ("Mr Siew") representing the External Auditors said that the requirement to establish a</p>

Remuneration Committee is only imposed on public listed companies under the Malaysian Code of Corporate Governance and the Bursa Securities Malaysia Berhad's Listing Requirements. Non-public listed entities are not subject to a similar requirement and may at their discretion choose to or choose not to establish a Remuneration Committee.

Mr Siew then drew the members' attention to page 29 of the AFS and highlighted that as reported therein, none of the Council Members or past Council Members had received any remuneration during the financial year. He further highlighted that in accordance with the Institute's Constitution, decisions of the Institute that are within the purview of the Council are made by the Executive Committee and the Council and not the Executive Director. Therefore, the Executive Director although carries the title "Director" is not deemed a Director of the Institute nor determined to be key management personnel as he is not responsible for decisions made by the Institute. Therefore, there is no requirement to provide a separate disclosure on his remuneration in the AFS. Mr Siew further stated that the disclosure on staff remuneration is in line with the accounting standard.

Following a clarification sought by Mr Ho Juan Keng (959), the Chairperson informed that the staff remuneration disclosed on page 37 in the AFS includes staff bonuses.

The same member also sought details of the welfare and insurance cost amounting to RM35,503. The Executive Director clarified that staff welfare and insurance costs primarily include cost for medical benefits and hospital insurance paid, for the staff in accordance with the terms and conditions of their employment. Other costs that amount to about RM1,000 are costs for staff dinner and staff gatherings to mark a celebratory occasion.

The member observed that the Institute employs 20 staff. Based on annual staff remuneration of RM1.8 million as recorded in the AFS, he calculated that the average staff cost worked out as RM90,000 per annum and RM7,500 per month per staff which he opined was high as an average salary based on market standards. The Chairperson stated that the Institute chooses to hire employees with more in-depth work experience although it results in higher costs to the Institute rather than employees with lesser work experience as it would facilitate and support work and deliverables of the Institute.

#### **Annual General Meeting**

Mr Lew enquired on the reason for the increase in cost of the Annual General Meeting from RM50,088 in 2017 to RM55,587 in 2018. The Executive Director provided a breakdown of the cost incurred for 2018 as follows: -

<b>Descriptions</b>	<b>Amount (RM)</b>
Printing of Notices	1,000
Printing of Annual Report, Ballot Papers and etc	12,397
Postage	3,660
Travelling	200
Hotel	15,000
Professional Fees to Company Secretaries	1,600

	<p>Photography 1,000</p> <p>Boardroom Services as Poll Administrative Agent 20,000</p> <p>The Executive Director said that the increase in AGM costs of RM5,000 from the previous year was mostly attributed to hotel costs which increases annually. The Chairperson nevertheless acknowledged the concern of the member and other members who had raised the matter previously and requested the Executive Director to review the AGM costs going forward.</p> <p><b>Technical Assistance to members by the Technical Committee</b></p> <p>Mr Lew said that the main objective for the establishment of the Institute is to serve the members. Mr Lew stated that the members do not receive any benefit from being a member of the Institute. Mr Lew also stated that the members are not updated by the Technical Committee on the outcome of the various meetings held with the regulators, feedback on tax cases as well as developments and assistance provided by the relevant Ministries to assist tax practitioners.</p> <p>The Chairperson informed the members that the Technical Committee works tirelessly to assist members. The Technical Committee provides technical assistance to the members via e-CTIM and also publishes reports on tax cases from time to time. The Chairperson then invited Ms Phan Wai Kuan (3296) ("Ms Phan") the Chairperson of the Technical Committee to brief the members on the activities carried out by the Technical Committees.</p> <p>Ms Phan informed the members that there are 4 Technical Committees that serve the Institute and that they are assisted by 4 staff on the technical aspects. Ms Phan said that the reports from these Technical Committee are summarised in the Annual Report. She further informed the members that from mid-April 2018 to mid-March 2019, a total of 106 e-CTIMs were released on direct tax and 44 e-CTIMS were released on indirect tax which represents 3 e-CTIMs released on an average per week which she opined was commendable by industry standards. She also highlighted that 9 written summaries of tax cases were published by CTIM and 2 cases were disseminated via e-CTIM. She highlighted that all these achievements could not be carried out without the active participation and contribution by the Technical Committees and the supporting staff. Ms Phan also stated that any developments in the Industry were shared with members via e-CTIM. The Chairperson thanked Ms Phan and the rest of the Technical Committee members for their hard work and contribution over the years.</p> <p>The Chairperson then moved to the next agenda.</p>
7.	<p><b>RE-APPOINTMENT OF AUDITORS OF THE INSTITUTE</b></p> <p>Following a proposal from Datuk Harjit Singh Sidhu A/L Bhagwan Singh (3517) which was seconded by Mr Wong, the following motion was put to the meeting for a vote: -</p> <p>"THAT Messrs Sekhar &amp; Tan be re-appointed as the Auditors for the ensuing year at a remuneration to be determined by the Council Members."</p>

	The members unanimously voted in favour of the motion. The Chairperson declared that the above motion was carried.															
8.	<p><b>ANNOUNCEMENT OF BALLOT RESULTS ON ELECTED COUNCIL MEMBERS</b></p> <p>The Chairperson then invited Mr Chan Wei Heng (“Mr. Chan”) from Boardroom Share Registrars Sdn. Bhd. (formerly known as Symphony Share Registrars Sdn. Bhd.) to read the ballot results which were recorded as follows: -</p> <table><tr><th>Ranking</th><th>Nomination of Council Members Elected</th><th>No. of votes</th></tr><tr><td>1</td><td>Alan Chung Ch’ung Yit</td><td>102</td></tr><tr><td>2</td><td>Koong Lin Loong</td><td>78</td></tr><tr><td>3</td><td>Lai Shin Fah</td><td>75</td></tr><tr><td>4</td><td>Chong Mun Yew</td><td>74</td></tr></table> <p>The Chairperson announced that Mr Koong Lin Loong (1199) and Mr Lai Shin Fah @ David Lai (1207) were re-elected pursuant to the Article 59 and the members elected to the Council for 2019/2023 were Mr. Alan Chung Ch’ung Yit (3647) and Mr Chong Mun Yew (2069). She then congratulated the newly elected Council members.</p> <p>It was noted that the appointments of Mr. Alan Chung Ch’ung Yit (3647) and Mr Chong Mun Yew (2069) as Members of the Council would be effective upon their completion of the Declaration in compliance with Section 201 of the Companies Act, 2016.</p> <p><b>Other Matters</b></p> <p>Mr K Sandra Segaran A/L Karupiah informed the members that Madam Seah Siew Yun and himself have completed their full term and are retiring as the Council Members at this AGM. He thanked Madam Seah for her unceasing commitment to the Institute throughout her term as a Council Member. He finally expressed his gratitude to all the Council Members for all their continuous support extended to them throughout their term as Council Members.</p>	Ranking	Nomination of Council Members Elected	No. of votes	1	Alan Chung Ch’ung Yit	102	2	Koong Lin Loong	78	3	Lai Shin Fah	75	4	Chong Mun Yew	74
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9.	<p><b>CLOSURE OF MEETING</b></p> <p>There being no other business, the Meeting was declared closed at 11.00 a.m.</p>															

Signed as a correct record,

Chairperson  
Date

17 JUL 2019