

CHARTERED TAX INSTITUTE OF MALAYSIA

Minutes of the 23rd Annual General Meeting (AGM) held on Saturday, 13 June 2015 at 9.30 a.m. at the Ballroom, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50350 Kuala Lumpur.

Present:	Mr Aruljothi Kanagaretnam (Chairman) Mr Poon Yew Hoe Mr SM Thanneermalai Mr Lew Nee Fook @ Liu Nee Choong Mr K. Sandra Segaran a/l Karuppiah Datuk Tan Leh Kiah, Francis Ms Seah Siew Yun Dr Jeyapalan Kasipillai Mr Phan Wai Kuan Mr Nicholas Anthony Crist Mr Ong Chong Chee Ms Renuka Thuraisingham Puan Farah Binti Rosley Datuk Harjit Singh Sidhu a/l Bhagwan Singh
Absentwith Apologies:	Ms Goh Lee Hwa Ms Yeo Eng Ping
In Attendance	Mr P Thomas Simon - Executive Director Ms Cynthia Louis - Company Secretary Ms Catherine Tong } Ms Jegajothy Jeganantham } representing Corporate Partners (Asia) Sdn. Bhd
By invitation	Mr Tan Jee Hwa En. Aiman Afiffudin En. Ahmad Fadli B.Othman Mr Yap Calvin Mr Lim Zhi Yuen Mr Tan Poh Ling } representing Messrs Morison Anuarul Azizan Chew
Members' Attendance	A total of 70 members attended as recorded in the attendance register. 594 proxies were received representing 18% of the total Institute's membership.
1.	CALL TO ORDER The Chairman called the meeting to order at 9.30 a.m.

2.	NOTICE OF MEETING The Chairman informed the members that the notice convening the 23rd Annual General Meeting (“AGM”) had been sent to the members in accordance with the Institute’s Articles of Association. There being no objection on the validity of the Meeting, the notice of the meeting was taken as read.
3.	DETERMINATION OF QUORUM Having confirmed with the Company Secretary that there was a quorum present in accordance with Article 48(1) of the Institute’s Articles of Association, the Chairman called the meeting to order at 9.30 a.m.
4.	ELECTION OF FOUR (4) COUNCIL MEMBERS The Chairman sought consensus from all members present to proceed with the agenda in the following order, to expedite the meeting process:- 1) Agenda 3: Election of four (4) council members for the 2015/2016 term 2) Agenda 2 :To receive the Annual Report and Financial Statements of the Institute for the year ended 31 December 2014 3) Agenda 4: Re-Appointment of Messrs Morison Anuarul Azizan Chew as the auditors for the ensuing year at remuneration to be determined by the Council Members The abovementioned proposal was unanimously agreed by all the members present. The meeting then proceeded with the next item of the agenda. The Chairman announced that there were 6 candidates seeking election for 4 posts in the Council for the 2015/2016 term. He added that Mr Lew Nee Fook @ Liu Nee Choong would be retiring in accordance with Article 59 of the Institutes’ Articles of Association as he had completed his full term on the Council and thus was not eligible for re-election to the Council. Ms. Seah Siew Yun (3062) and Mr. K. Sandra Segaran a/l Karuppiah (1534) are to retire pursuant to Article 59 of the Institutes Articles of Association and offer themselves for re-election. However, it was noted that Datuk Tan Leh Kiah who retires pursuant to Article 59 would not be seeking re-election. There were also 4 nominations received by the Institute for election at this AGM, namely Mr Chong Kean Huat (2309), Mr Koong Lin Loong (1199), Mr Lai Shin Fah @ David Lai (1207) and Mr Lavindran Sandragasu (3465). Upon the Chairman’s invitation, Mr Chong Kean Huat (2309), Mr Koong Lin Loong (1199), Mr Lai Shin Fah @ David Lai (1207), Mr Lavindran Sandragasu (3465), Ms. Seah Siew Yun (3062), Mr. K.SandraSegaran a/ Karuppiah (1534) introduced themselves and highlighted how they could be of value to the Institute if they are elected or re-elected as a Council Member.

The Chairman highlighted that he had put in place certain procedures on the balloting process this year and explained that the Secretariat was not involved in the process as the responsibility had been tasked to the Auditors as an independent party. He informed that the sealed ballot boxes would be opened and the proxy forms counted on Thursday at CTIM's office in the presence of the 6 candidates / their representatives. He stressed that the Auditors had been informed not to disclose the results of the proxies to anyone including himself until the day of the AGM.

At his juncture, Mr Lew Nee Fook @ Liu Nee Choong (Mr Lew) (1840) queried on the process and procedures of acceptance of proxy forms, citing irregularities and instances where the procedure outlined in the notice were not adhered to and that he suspected tempering with the ballot boxes. He also stated that to his knowledge there were 2 large A4 sized envelopes which were put on top of the ballot boxes and the notices specifically states that the proxy forms be put in a self addressed envelope addressed to the Institute and dropped in the ballot box located at the Secretariat office.

The Chairman replied that there were no records as to the number of ballot papers printed and posted.

On the query by Mr Lew on the proxy forms received after 9.30 a.m. which were taken into account by the Scrutineers, the Chairman replied the Secretariat had informed him that the acceptance of the two large envelopes containing proxy forms which were received at 9.35 a.m. and 9.40 a.m. respectively were accepted with the agreement of the 3 candidates and 1 representative present.

Mr Lew voiced his dissatisfaction that the Institute had not adhered to instructions contained in the notice in relation to the appointment of proxies and that there was no record of the number of postal proxy forms that had been properly addressed. He stated that the Institute lacked transparency and had not upheld corporate governance in the matter.

The Chairman informed that he took note of Mr Lew concerns on the legal implications arising there from and would get the incoming council to address these shortcoming for the future.

He then called upon Mr Tan Jee Hwa from Messrs Morison Anuarul Azizan Chew, the appointed Scrutineers to elaborate on the balloting process for the benefit of the members. Mr Tan Jee Hwa informed the members that there were a total of 60 members present and that the Institute had received 594 proxy forms representing 18% of the total membership. He also clarified that the two A4 sized envelopes placed on top of the ballot box were taken into account while tabulating the number of proxies after agreement by the 3 candidates and 1 representative present. He further informed that once the results were announced all ballot papers and proxy forms would be kept confidential by the Scrutineers for a period of two weeks from the date of the AGM and thereafter destroyed.

The Chairman informed the members that the vote on the election of the Council members would be carried out by ballot process which will be conducted together with item 3 - Re-Appointment of Messrs Morison Anuarul Azizan Chew as the auditors for the ensuing year at a remuneration to be determined by the Council Members. The Members were then given 10 minutes to cast their votes.

	At this juncture, Mr Lew proposed that all proxy forms received should be rejected on the basis that all the set rules and regulations were not adhered to. The Chairman then requested the Members present to decide on the proposal put forth by Mr Lew. Mr Vincent Josef (1966) expressed his appreciation of Mr Lew’s concern but stressed that the proxy forms should be accepted in good faith and that the procedures set forth in the notice be adhered to moving forward. He then asked the Chairman if the A4 sized envelopes received contained proxy forms which were loose or were in the self addressed envelopes provided by the Institute.The Chairman informed that he was not aware of the contents of the envelopes and redirected the question to Mr Tan Jee Hwa. Mr Tan Jee Hwa clarified that one of the A4 sized envelopes was received by Courier from Messrs Deloitte the other was hand delivered by Messrs BDO. He further informed that both envelopes contained proxy forms which were loose. Mr. K. Sandra Segaran a/l Karuppiah (1534) one of the candidates informed that the big A4 sized envelopes could not be put in the ballot box and as such was left on the top. The 3 candidates present together with the 1 representative collectively agreed that the envelopes be accepted. At this juncture, Datuk Harpal Singh (0555) stated that the facts be recorded and that the meeting move forward to address more pertinent matters. Mr Lew stated the mere fact of agreement on the acceptance of the two A4 sized envelopes by 3 candidates present together with the 1 representative was a conflict of interest. Mr Alan Choong (2647) suggested that the consent from the two candidates namely Mr Lai Shin Fah @ David Lai (1207) and Mr Lavindran Sandragasu (3465) who were not present to witness the opening and counting of the proxy forms be sought. Both Mr Lai Shin Fah @ David Lai (1207) and Mr Lavindran Sandragasu (3465) took to the floor to consent that the proxy form in the two A4 sized envelopes be included in the ballot. The Chairman then put the motion on the acceptance of the proxy forms received to a vote by a show of hands. There were 48 votes recorded for and 2 against the acceptance of the proxy forms.The Chairman declared the motion carried and that the proxy forms received at 9.30 am and 9.40 a.m. be included in the ballot were valid.
5.	PRESIDENT’S ADDRESS After all the votes had been cast, the Chairman continued with the meeting while waiting for the Scrutineers to count the votes. The Chairman who is the Council President thanked the members, the Council and the Secretariat for their support over the last year.He informed that the last year had been an eventful year for the Institute with the joint organisation of the National GST Conference by the Institute and the Royal Malaysian Customs Department (RMCD) and the introduction of the CTIM tax technician qualification. Besides this there were also new procedures for engaging with Lembaga Hasil Dalam Negeri Malaysia (LHDNM)

	officers, the enactment of the Goods and Service Tax (GST) Legislations, the licensing of approved GST agents and implementation of GST with effect from 1 April 2015. The President informed that the Institute had made a profit before tax of RM2.11million and revenue of RM7.23 million for the financial year ended 31 December 2014 attributed largely to the GST training courses organized in collaboration with RMCD. The President further briefed members on activities undertaken by the various sub-committees. He informed that the Education Committee had visited several universities in their effort to promote the professional papers offered by the Institute. He further informed that the Institute in January 2015, had set up a booth at the Star Education Fair to promote the professional courses offered by CTIM to school leavers. He also informed that the CPD Committee had been busy organizing various CPD courses and events such as the National Tax Conference, National GST conference, 2015 Budget Seminar all in collaboration basis with LHDNM, RMCD, Ministry of Finance. The President also commended the Editorial Committee for having the Tax Guardian issued to the members regularly and encouraged members to contribute more articles on tax practices and standards. He informed that CTIM's membership as at 30 April 2015 was 3,263 with 131 new members and 36 members who have been removed due to default of payment of membership fee. Next, the President addressed the issue in respect to Administration and Finance and cited that CTIM had lost a total of 8 staff who were technically trained to the industry due better salaries being offered by firms outside. To address the shortage, CTIM has hired 8 new staff to service the members and was still sourcing for a qualified person to handle GST related matters/queries at the Secretariat. The President further highlighted that a one off ex-gratia payment had been made to staff in addition to the performance bonus in recognition of their contribution and also as means of a staff retention. The President highlighted that some administrative issues had been brought up to the Council at meeting held on 9 June 2015 and explained that these issues would be documented and passed to the incoming council to review the processes and procedures moving forward. At this juncture, Mr Lew queried on the rationale for the payment of staff performance bonus and ex-gratia payment is not being endorsed by the Council but was endorsed by the EXCO citing this was a clear violation of CTIM's Memorandum and Articles of Association. He also queried on the quantum and sought clarification on the Executive Director's salary. The President noted Mr Lew's query and informed that he would address this issue when discussing the financials. The President ended his address with a note of thanks to the members.
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ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE INSTITUTE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 TOGETHER WITH THE AUDITORS REPORT

The Chairman then proceeded with Agenda 2.

The Annual Report and Financial Statements for the financial year ended 31 December 2014 (“ARFS”) and the Report of the Auditors there on having been circulated to all the members of the Institute within the statutory period were tabled before the meeting.

The Chairman proceeded to explain the financial performance of the Institute and also invited questions from the floor.

Mr Lew raised his objection that the AFRS was not tabled at the Council Meeting and thus he opined that it did not reflect the true nature of the report by the Committees. The Chairman clarified that the Committee reports were given to the respective Committee Chairman for verification before they were passed to the EXCO. The Secretariat after verification and endorsement of the EXCO compiled the said reports. He further added that the Audited Financial Statements for the year ended 31 December 2014 were tabled and adopted at the Council Meeting held in February 2015.

Mr Lim Fang How (3385), asked if there was a process to rotate the auditors of CTIM as he noticed that Messrs Morison Anuarul Azizan Chew, CTIM’s Auditors have been appointed since 2010. He added that in the interest in governance it would be best to rotate the Auditors, The Chairman informed that CTIM had no process to rotate the Auditors and that the Institute would look into his suggestion moving forward.

Mr Lew queried on the rationale for staff to be paid 5 months bonuses citing that Council Members had also worked hard but had not been compensated. He further sought clarification as to why a detailed breakdown of salaries and bonuses of staff including the Executive Director was not provided for the Council to deliberate and endorse but instead the EXCO had made the decision to endorse these payments. Mr Lew stated that the Executive Director had not been providing the Council with Management Accounts on a quarterly basis.

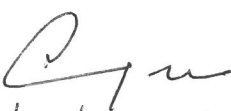
The Chairman clarified that staff were awarded performance bonuses ranging from 1.5 to 4 months and a 1 month ex-gratia payment. He further explained that Article 57 (1) and 65(b) of the Articles of Association of CTIM provides for delegation of the councils duties to Sub-Committees and that past practices on the scope of duties and powers of the Sub-Committees all these years have been followed. He assured Members that all these administrative issues would be documented and passed to the incoming Council to deliberate and distinguish the scope and powers of each of the Sub-Committees moving forward.

Datuk Harpal Singh (0555) stated that in principal the Institute was run by the Council which consists of the 16 duly elected representatives. Over the years certain practices or provisions in accordance with the Memorandum and Articles of Association may have been omitted or overlooked. He opined that past practices should remain and that moving forward CTIM adhere to the provisions contained in its Memorandum and Articles of Association.

	Mr Alan Choong (2647) informed that he would like to put on record that during his tenure as Head of the Secretariat of CTIM in year 2000, he re-called that management accounts were tabled at every Council Meeting and was unsure when this practice strayed but hoped that the Council would adhere to the provision of the Memorandum and Articles of Association of CTIM moving forward. The motion on the adoption of accounts was put to vote upon being proposed by Mr Wong (0188) and seconded by En Abdul Salam (3771). The Chairman then declared the motion duly carried. As the Scrutineers were still in the process of tabulating the ballot results, members of the floor took the opportunity to highlight their suggestions, feedbacks, complaints and appreciation.																																							
7.	ANNOUNCEMENT OF BALLOT RESULTS ON ELECTED COUNCIL MEMBERS The Chairman then invited Mr Tan Jee Hwa from Messrs Morison Anuarul Azizan Chew, the Scrutineers to announce the ballot results for the following:- 7.1 ANNOUNCEMENT ON ELECTED COUNCIL MEMBERS <table><tr><th rowspan="2">Nomination of Council Members</th><th colspan="4">No. of votes</th></tr><tr><th>For</th><th>%</th><th>Against</th><th>%</th></tr><tr><td>Seah Siew Yun</td><td>449</td><td>70.93</td><td>98</td><td>15.48</td></tr><tr><td>Koong Lin Loong</td><td>414</td><td>69.69</td><td>142</td><td>23.90</td></tr><tr><td>K. Sandra Segaran a/l Karruppiah</td><td>314</td><td>47.58</td><td>264</td><td>40.00</td></tr><tr><td>Lai Shin Fah @ David Lai</td><td>294</td><td>43.68</td><td>272</td><td>40.41</td></tr><tr><td>Choong Kean Huat</td><td>288</td><td>48.40</td><td>146</td><td>24.53</td></tr><tr><td>Lavindran Sandragasu</td><td>218</td><td>36.33</td><td>284</td><td>47.33</td></tr></table> The Chairman announced that Ms Seah Siew Yun and Mr K. Sandra Segaran a/l Karruppiah was re-elected pursuant to the Article 59 and the members elected to the Council for 2015/2016 were Mr Koong Lin Loong and Mr Lai Shin Fah @ David Lai. He then congratulated Ms Seah Siew Yun, Mr K. Sandra Segaran a/l Karruppiah and the newly elected Council members. It was noted that the appointments of Mr Koong Lin Loong and Mr Lai Shin Fah @ David Lai as Members of the Council would be effective upon their completion of the Statutory Declaration of Compliance in accordance with Section 123 (4) of the Companies Act, 1965.	Nomination of Council Members	No. of votes				For	%	Against	%	Seah Siew Yun	449	70.93	98	15.48	Koong Lin Loong	414	69.69	142	23.90	K. Sandra Segaran a/l Karruppiah	314	47.58	264	40.00	Lai Shin Fah @ David Lai	294	43.68	272	40.41	Choong Kean Huat	288	48.40	146	24.53	Lavindran Sandragasu	218	36.33	284	47.33
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	7.2 ANNOUNCEMENT ON THE RE-APPOINTMENT OF AUDITORS OF THE INSTITUTE <table><tr><td></td><td colspan="4">No. of votes</td></tr><tr><td></td><td>For</td><td>%</td><td>Against</td><td>%</td></tr><tr><td>Re-Appointment of Messrs Morison AnuarulAzizan Chew as the auditors for the ensuing year at remuneration to be determined by the Council Members</td><td>398</td><td>63.07</td><td>225</td><td>35.66</td></tr></table> The Chairman then announced that the following motion was carried:- “THAT Messrs Morison AnuarulAzizan Chew of 18, Jalan 1/64, Off JalanKolam Air/Jalan Ipoh, 51200 Kuala Lumpur be and are hereby re-appointed as Auditors of the institute and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed by the Council.”		No. of votes					For	%	Against	%	Re-Appointment of Messrs Morison AnuarulAzizan Chew as the auditors for the ensuing year at remuneration to be determined by the Council Members	398	63.07	225	35.66
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8.	CLOSE OF MEETING There being no other business, the Meeting was declared closed at 12 noon.															

Signed as a correct record,

Chairman 
Date 22/9/2015