



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

CORPORATE BY-LAW



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Approved by the Board of Directors at the Board Meeting No. 43 on 30 September 2014



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CORPORATE BY-LAW

Under section 12(1)(d) of the Malaysia Deposit Insurance Corporation Act, the Board may make such by-laws as are necessary or expedient in relation to the administration, management, control, business, assets and affairs of the Corporation, including the rules and procedures to be observed by the directors at Board meetings.

This By-law is made by the Board and relates generally to the regulation of the affairs and conduct of the business of Perbadanan Insurans Deposit Malaysia (the "Corporation").

PART 1 – INTERPRETATION

1.1 Definitions

In this By-law, unless another meaning is stated or is dictated by the context, words or phrases have the meaning given to them in the Malaysia Deposit Insurance Corporation Act and:

"Act" means the Malaysia Deposit Insurance Corporation Act,

"Board" means the board of directors of the Corporation,

"Chairperson" means the chairperson of the Board,

"Chief Executive Officer" means the chief executive officer of the Corporation,

"Committee" means any committee of the Board,

"Corporate Officer" means any officer appointed by the Board in accordance with paragraph 5.2 of this By-Law,

"Corporate Secretary" means the corporate secretary of the Corporation,

"Director" means any Director of the Corporation, and a reference to a particular Director means the individual holding that position for the time being,



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“employee” means any employee of the Corporation, whether full-time or part-time and whether employed for an indefinite or a fixed or otherwise limited term,

“ex-officio Director” means either the Governor of Bank Negara Malaysia or the Secretary-General of the Treasury, appointed as a Director pursuant to paragraphs 11(2)(b) and (c) of the Act, and **“non-ex officio Director”** correspondingly means any of the other Directors,

“Officer” means the Chief Executive Officer and any other officer of the Corporation who is a Head of Division, and a reference to a particular Officer means the individual holding that office for the time being including an individual who is an Acting Head of Division,

“person” includes an individual, a body corporate, a general or limited partnership, a joint venture, a trust, an unincorporated organisation or association, a government or an agency or instrumentality of a government, and

“public sector Director” means any of the ex-officio Directors and a Director from the public sector or who has public sector experience, as referred to in the Act.

1.2 Statutory References

In this By-law a reference to a statute includes any regulation made under the authority of that statute and includes such statute or regulation as amended or re-enacted from time to time.

1.3 Relation to Statutes

In the event that any provision in this By-law is contrary to a provision of the Act, the provision in the Act prevails.

1.4 Relation to Resolutions

Nothing in this By-law prevents the passage or adoption of any resolution that does not require or permit the taking of an action that is contrary to a provision of this By-law.

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1.5 Always Speaking

In this By-law, a reference to a resolution, approval, appointment, delegation or other action includes the same as it may be amended, varied, replaced or revoked from time to time.

PART 2 – THE BOARD

2.1 Composition, appointment and term

- (1) The Board of Directors shall comprise members who are appointed or who are members in accordance with the Act¹ and members shall hold office for such terms as may be provided for in accordance with the Act.²
- (2) The office of a Director shall be vacated if the Director:
 - (a) is removed from office by the Minister of Finance;³
 - (b) resigns by giving a notice in writing of not less than thirty (30) days to the Minister of Finance in accordance with the Act;⁴ or
 - (c) ceases to be a Director by virtue of any provision of the Act or becomes prohibited from being a Director by any provision of law.⁵

¹ Subsection 11(2) of the Act

² Subsection 13 of the Act specifies that the directors shall hold office for a term not exceeding 3 years and shall be eligible for reappointment and that ex-officio Directors hold for the duration of their tenure in the relevant office

³ Subsection 14(2) of the Act provides the circumstances under which the Minister may terminate or suspend the appointment of the director including if he becomes of unsound mind or otherwise becomes incapable of carrying out his duties, or any form of restriction or supervision under any law relating to the prevention of crime, etc., or he becomes a bankrupt, suspends payment or compounds with his creditors, or he is charged with a criminal offence punishable with imprisonment, or he is guilty of serious misconduct in relation to his duties under the Act, or is absent, except with leave granted by the Minister in the case of the Chairman or by the Chairman in the case of all other directors from 2 of the meetings of the Board in any 12 month period

⁴ Subsection 14(3) of the Act

⁵ Subsection 14(1) of the Act sets out the circumstances under which a Director would be disqualified from acting as such

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2.2 Directors' remuneration and allowances

- (1) Directors shall be paid such fees, allowances and other remuneration as may be approved by the Minister of Finance, on the recommendation of the Board.⁶
- (2) Directors may be paid all travelling, accommodation and other expenses as may be properly incurred by them in connection with their attendance at meetings or otherwise in connection with the discharge of their duties including their attendance at any event for orientation and training of Directors in connection with the discharge of their duties.⁷

2.3 Powers of the Board of Directors

The Act places the responsibility on the Directors to manage the business and affairs of the Corporation and confers the authority to the Board of Directors to exercise all powers and do all acts which may be done or exercised by the Corporation.⁸

PART 3 – MEETINGS OF THE BOARD

3.1 Frequency of Meetings

The Board shall meet as often as may be required but not less than four (4) times a year as required under the Act.⁹

3.2 Chairperson

- (1) Subject to paragraph 3.2(2) below, the Chairperson shall preside at all meetings of the Board and in his absence, the Directors present shall elect a chairperson among the Directors with relevant private sector experience and the person so elected shall preside and have all the powers of the Chairperson¹⁰ for that meeting.

⁶ Section 16 of the Act

⁷ The "Policy on Reimbursement of Directors' Expenses by the Corporation" sets out the type of expenses and the procedures for reimbursement of such expenses. All claims for expenses incurred by Directors or expenses for approved spousal travel will as a matter of process be provided to the Chief Executive Officer for approval

⁸ Subsection 11(1) of the Act. Section 25 of the Act specifically sets out the powers of the Corporation

⁹ Subsection 18(1) of the Act

¹⁰ Subsection 18(2) of the Act



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- (2) The Chairperson shall not participate during that part of the meeting at which the matter of re-appointment of the Chairperson is being considered, and the Directors present shall elect a chairperson among the Directors with relevant private sector experience to preside for that part of the meeting.

3.3 Calendar and Attendance at Meetings

- (1) Meeting dates will be scheduled in advance so that the Board has a calendar for the Corporation's entire financial year, which will be reviewed and updated regularly.
- (2) No Director shall be absent, except with leave granted by the relevant person from two (2) of the Board meetings in any period of twelve (12) months. The relevant person in the case of the Chairperson is the Minister of Finance, and in the case of the rest of the Board members, the Chairperson.¹¹

3.4 Calling of Meetings

- (1) The Chairperson may call a meeting of the Board by giving notice to all of the other Directors stating the time and place of, and the business to be transacted at the meeting, or by causing the Corporate Secretary to do so.
- (2) Subject to the other provisions of this By-law, notices of meetings of the Board must be in writing. Notices may be given either personally or in writing including with the use of electronic communication to the address¹² for the time being given by the Directors to the Corporation.
- (3) Notices of regular meetings shall unless waived be given no less than fourteen (14) days¹³ before the meeting.
- (4) Notice of the reconvening of an adjourned meeting of the Board is not necessary if the time and place of the reconvened meeting is announced at the time of adjournment. However if a meeting is adjourned for a period of more

¹¹ Subsection 14(2)(f) of the Act

¹² "address" shall include email address

¹³ As recommended in the Putrajaya Committee on GLC High Performance's Green Book on "Enhancing Board Effectiveness"

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than forty-eight (48) hours, any Director who was not present at the time of the adjournment must be notified by the Chairperson or the Corporate Secretary of the time and place of the reconvened meeting. Such notification may be written or oral, but if oral, it should be confirmed in writing as soon as practicable.

3.5 Special Calling of Meetings

- (1) If, in the opinion of the Chairperson, it is necessary or advisable for a specific matter to receive the attention of the Board at a meeting before notice can be given in the usual manner, the Chairperson may determine the period and content of the notice provided to the other Directors for that meeting. Notice of such a meeting may be given in writing or orally, but if given orally should be confirmed in writing as soon as practicable.
- (2) Any two (2) Directors may request that the Chairperson call a meeting of the Board, stating the business requested to be transacted, and upon receiving such a request the Chairperson shall forthwith call the meeting. Such a request may be made in writing or orally, but if made orally should be confirmed in writing as soon as practicable.
- (3) If the Chairperson is absent or incapacitated and, in the opinion of any four (4) of the other Directors, it is necessary or advisable for a meeting of the Board to be called before the Chairperson will be able to do so, those Directors may call a meeting in place of the Chairperson.
- (4) Except as modified by this section, the other provisions of this By-law apply to meetings called pursuant to this section, being adapted to the case as nearly as practicable.

3.6 Waivers of Notice

A Director may waive notice of a meeting of the Board by any means. Attendance by a Director at a meeting is a waiver of notice unless he or she attends in order to object to a default or defect in the giving of notice of the meeting and does so expressly.

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3.7 Validity of Actions

- (1) A resolution passed or other action taken at a meeting of the Board in respect of which notice has been given shall be valid even if, by inadvertence, the notice is not actually received by a particular Director or there is an error in or omission from the contents of the notice which does not affect its substance.¹⁴
- (2) The Board may act notwithstanding any vacancy and its proceedings or all acts done by any meeting of the Directors or committee shall not be invalidated by (a) the absence of any Director (b) any defect afterwards discovered in the appointment or qualification of any Director or the constitution of the Board (c) any omission, defect or irregularity in the convening or conduct of the meeting or (d) the presence or participation of a person who is not a Director of the Board.¹⁵

3.8 Place of Meetings

A meeting of the Board may be held at any place in Malaysia.

3.9 Quorum for Meetings

The quorum for a meeting of the Board shall be not less than four (4) Directors, at least two (2) of whom must comprise public sector Directors.¹⁶

3.10 Procedure at Meetings

Subject to the other provisions of this By-law and to any resolution of the Board respecting a specific matter, the Chairperson shall determine the procedure at and conduct of meetings of the Board.

¹⁴ Subsection 15(c) of the Act provides that the proceedings of the Board shall not be invalidated by any omission, defect or irregularity in the convening of conduct of a meeting

¹⁵ Section 15 of the Act

¹⁶ Subsection 18(3) of the Act



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3.11 Voting at Meetings

Board decisions shall be made by a majority of the votes of the Directors present and voting.¹⁷ In the event of an equality of votes the Chairperson has a casting vote.¹⁸

3.12 Participation by teleconferencing, live video, etc.

The Chairperson may authorise a Director to use telephone conference, live video, television links or other appropriate communication or multimedia facilities to participate in any meeting of the Board or Board Committee provided that, prior to the meeting, the Director has by notification to the Chairperson, requested for such authorisation,¹⁹ and the facilities are such that all persons participating in the meeting can hear each other. Participating in a meeting pursuant to this provision shall constitute presence in person (including for the purposes of quorum) at such meeting.

3.13 Circular Resolutions in Writing

A circular resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be valid and effective as if it had been passed at a meeting of the Directors duly convened and held and any such resolution may consist of several documents in like form, each signed by one (1) or more Director.²⁰

3.14 Declarations of Interest or Notices of Dissent

- (1) A written declaration of interest by a Director respecting an actual or proposed material contract with the Corporation or any other declaration of an actual, perceived or potential conflict of interest or a written notice of dissent by a Director in respect of a resolution passed or other action taken at a meeting of the Board at which the Director was not present shall be sufficiently made or given if provided to the Corporate Secretary.

¹⁷ Subsection 18(4) of the Act

¹⁸ Subsection 18(5) of the Act

¹⁹ Subsection 18(7) of the Act

²⁰ Subsection 18(6) of the Act

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- (2) If a Director makes a written declaration of interest or a Director who was not present at a meeting gives a written notice of dissent, a copy shall be sent to all of the other Directors by the Corporate Secretary as soon as practicable.
- (3) For avoidance of doubt where a conflict of interest arises or becomes known to the Director during a meeting of the Board or committee, it shall be sufficient for that Director to declare the same at the meeting. Such conflict and the decision of the Board or Committee in relation thereto shall be recorded in the minutes of the meeting.

3.15 Coordination Through Chairperson

The Chairperson is the principal channel of communication for matters of significance concerning the Corporation between individual Directors and the Board or between the Board and the Chief Executive Officer.

3.16 Minutes of Meetings

- (1) The Corporate Secretary is the secretary of meetings of the Board, but where he or she is not present at a meeting the Chairperson shall select another officer, employee or Director of the Corporation to be the acting secretary.
- (2) The Chairperson may require the Corporate Secretary to absent himself or herself from some or all of any particular meeting of the Board.
- (3) Minutes of the proceedings of the Board shall be recorded by the Corporate Secretary or any acting secretary and maintained by the Corporate Secretary.
- (4) The Corporate Secretary shall send a draft of the minutes of each meeting of the Board to all of the Directors before the time of the next meeting or within such greater or lesser period as the Chairperson directs for the draft minutes of any particular meeting.
- (5) The Chairperson shall so confirm the minutes of proceedings of the Board after they have been approved by the Board.

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3.17 Manner of Sending Notices

- (1) Any written communication or other document required by this By-law to be given or sent shall be sufficiently given or sent if dispatched by courier service, mail or any electronic means of sending messages that is capable of producing a paper record of the contents.
- (2) Items dispatched by courier service shall be deemed to arrive on the day of delivery, those sent by electronic means shall be deemed to arrive on the day of transmission and items mailed shall be deemed to arrive on the fifth day following the post-mark date.
- (3) Each Director shall provide the Corporate Secretary from time to time with a current address, including his or her email address, where available, to which written communications and other documents can be dispatched to his or her attention.
- (4) A written communication or other document delivered or transmitted to the address most recently provided by a Director shall be deemed received by that Director.

3.18 Substitute for Corporate Secretary

Where, due to absence or incapacity, the Corporate Secretary is unable to give or send a written communication or other document required by this By-law, another officer, employee or Director selected by the Chairperson may do so in his or her stead.

3.19 *In Camera* or Private Meetings

- (1) The Board or any Committee of the Board may hold *in camera* or private meetings (“Meeting”) as it considers necessary and may invite any person (“Invitee”) to the Meeting.
- (2) Should the Board or Committee require a decision made at the Meeting to be minuted, the chair of the Meeting may direct a member of the Board or Committee or an Invitee to minute such decision (“Minutes”) or invite the Corporate Secretary for such purpose. Where a member of the Board or

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Committee or an Invitee has been requested to minute the decision, they shall provide the draft Minutes to the Corporate Secretary immediately after the Meeting.

- (3) The Board or Committee, as the case may be, shall approve the Minutes at a subsequent meeting of the Board or Committee (whether *in camera* or open). The member of the Board or Committee, the Invitee or the Corporate Secretary, as the case may be, is to prepare the Minutes and provide the Board or Committee with a draft as soon as possible after the Meeting.
- (4) The Board or Committee, as the case may be, may direct a decision made at the Meeting to be brought to the open meeting and recorded in the minutes of the open meeting if the circumstances or the nature of the decision so warrant it. Otherwise, the minutes of the open meeting should only record the fact that the Meeting was held and concluded.
- (5) The Minutes shall form part of the Corporation's records. The Board or Committee, as the case may be, shall determine whether they be maintained by the Corporate Secretary or another officer of the Corporation. The Board or Committee may direct the Corporate Secretary to keep them separately from the minutes of the open meetings.
- (6) Access to the Minutes is generally limited and only with the consent of the Chairperson or the chair of the relevant Committee. The Corporation's external auditors have full access to the Minutes but the Corporate Secretary or any other officer keeping the Minutes, as the case may be, shall inform the Chairperson or the chair of the relevant Committee of such access granted.

PART 4 – COMMITTEES OF THE BOARD

4.1 Audit Committee

- (1) There shall be an Audit Committee comprising at least three (3) members of the Board, as named by the Board.
- (2) The Audit Committee shall be chaired by one of its members, as selected by the Board, and such member shall be a person with financial expertise. There

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shall be a vice-chairman of the Audit Committee, who will chair the Audit Committee meeting in the absence of the chairman of the Audit Committee.

- (3) The Audit Committee will carry out such functions as are set out in its Board-approved Charter and any incidental activities as the Committee or the Board deems necessary or appropriate.
- (4) The Committee will meet at the discretion of the chair but not less frequently than four (4) times each year.
- (5) The Audit Committee will carry out the functions of the Jawatankuasa Pengurusan Kewangan dan Akaun (“JPKA”).
- (6) The auditor of the Corporation shall be provided with notice of meetings of the Audit Committee at the same time and in the same manner as its members.
- (7) The presence of two (2) members constitutes a quorum for a meeting of the Audit Committee. A quorum shall only be constituted where the chair or vice-chairman of the Audit Committee is present at the meeting.
- (8) A matter put to a vote at a meeting of the Audit Committee shall be decided by a majority of the votes cast, and in the event of an equality of votes its chair has a second vote.

4.2 Governance Committee

- (1) There shall be a Governance Committee comprising at least three (3) members of the Board, the members of which shall be the Chairperson of the Board and two (2) other Directors as named by the Board.
- (2) The Governance Committee shall be chaired by the Chairperson of the Board.
- (3) The Governance Committee will carry out such functions as are set out in its Board-approved Charter and any incidental activities as the Committee or the Board deems necessary or appropriate.
- (4) The Committee will meet at the discretion of the chair but not less frequently than two (2) times each year.



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- (5) The presence of two (2) members constitutes a quorum for a meeting of the Governance Committee.
- (6) A matter put to a vote at a meeting of the Governance Committee shall be decided by a majority of the votes cast. In the event of an equality of votes its chair has a second vote.

4.3 Remuneration Committee

- (1) There shall be a Remuneration Committee comprising at least three (3) members of the Board, as named by the Board.
- (2) The Remuneration Committee shall be chaired by one of its members, as selected by the Board.
- (3) The Remuneration Committee will carry out such advisory or other functions on the subject of human resource and compensation issues as are set out in its Board-approved Charter and any incidental activities as the Committee or the Board deems necessary or appropriate.
- (4) The Committee will meet at the discretion of the chair but not less frequently than two (2) times each year.
- (5) The presence of two (2) members constitutes a quorum of the Remuneration Committee.
- (6) A matter put a vote at a meeting of the Remuneration Committee shall be decided by a majority of the votes cast. In the event of an equality of votes its chair has a second vote.

4.4 Succession Planning Committee

- (1) There shall be a Succession Planning Committee comprising at least three (3) members of the Board, the members of which shall be the Chairperson of the Board and two (2) other Directors as named by the Board.

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- (2) The Succession Planning Committee shall be chaired by the Chairperson of the Board.
- (3) The Succession Planning Committee will carry out such functions as set out in its Board-approved Charter and any incidental activities as the Committee or the Board deems necessary or appropriate.
- (4) The Succession Planning Committee will meet at the discretion of the chair but not less frequently than two (2) times each year.
- (5) The presence of two (2) members constitutes a quorum for a meeting of the Succession Planning Committee.
- (6) A matter put to a vote at a meeting of the Succession Planning Committee shall be decided by a majority of the votes cast. In the event of an equality of votes its chair has a second vote.

4.5 Other Committees

The Board may establish other Committees with such terms of reference or mandates, and with such membership from among Board members or other persons and for such duration as the Board may determine.

4.6 Terms of Membership

The Board may set lengths of term for members of Committees named or selected by the Board.

4.7 Minutes of Meetings

- (1) The Corporate Secretary is the secretary of meetings of the Committees, but where he or she is not present at a meeting the chair of the Committee shall select another officer, employee or Director to be the acting secretary.
- (2) The chair of a Committee may require the Corporate Secretary to absent himself or herself from some or all any particular meeting of the Committee.

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- (3) Minutes of the proceedings of the Committees shall be recorded by the Corporate Secretary or any acting secretary and maintained by the Corporate Secretary.
- (4) Copies of the minutes of the proceedings of a Committee shall be sent by the Corporate Secretary to all of the Directors once they have been approved by the Committee.
- (5) The provisions in paragraph 3.19 in relation to minutes for in camera meetings of the Board shall apply mutatis mutandis to minutes for in camera meetings of the Committees.

4.8 Application of General Rules

Except as modified by this Part, the provisions of this By-law relating to meetings of the Board apply to meetings of Committees, being adapted to the case as nearly as practicable.

PART 5 – OFFICERS

5.1 Chief Executive Officer

- (1) The Chief Executive Officer shall be appointed by the Minister, on recommendation of the Board.²¹
- (2) The Chief Executive Officer shall be responsible for the day-to-day administration of the business and affairs of the Corporation.²²
- (3) The Chief Executive Officer shall be answerable and accountable to the Board for the exercise of his powers and the performance of his duties.²³
- (4) In the absence or incapacity of the Chief Executive Officer, the Board may authorise an officer of the Corporation to perform the duties, functions and responsibilities of the Chief Executive Officer.²⁴

²¹ Subsection 19(1) of the Act

²² Subsection 19(2) of the Act

²³ Subsection 19(3) of the Act

²⁴ Subsection 19(4) of the Act

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- (5) The Chief Executive Officer shall be deemed to be an Officer and employee of the Corporation and be subject to the terms and conditions of service, and enjoy such compensation, benefits and any other remuneration as approved by the Minister upon recommendation of the Board.²⁵

5.2 Board-Appointed Officers

Subject to the Board establishing additional Officers with the Corporation that require Board appointment, the holders of the following offices (“Corporate Officers”)²⁶ must be appointed by the Board:

- (i) Executive General Manager;
- (ii) Executive General Manager and General Counsel;
- (iii) Chief Financial Officer;
- (iv) Corporate Secretary;
- (v) Chief Internal Auditor; and
- (vi) Chief Risk Officer.

5.3 Terms of Appointment

- (1) A Corporate Officer appointed by the Board holds that office for such periods, receive such compensation and any other remuneration, and shall be subject to such terms and conditions of service as may be determined by the Board.²⁷
- (2) An individual may hold more than one office with the Corporation for an interim period to fill a vacancy until the vacant office is substantially filled.

5.4 Position Descriptions

The Board shall approve general descriptions of the respective roles and responsibilities and authorities of:

- (i) the Chairperson;

²⁵ Section 20 of the Act

²⁶ Amendments are consequential to the Board’s approval on 22 May 2014 pertaining to the Corporation’s organisational restructuring

²⁷ Section 21 of the Act



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- (ii) the Chief Executive Officer; and
- (iii) Corporate Officers.

PART 6 – CONFLICT OF INTEREST

6.1 Conflicts of Interest

- (1) Every Director, Officer and employee shall abide by the applicable provisions of a conflicts of interest code of the Corporation approved by the Board, both during and, to the extent therein provided, after his or her tenure with or employment by the Corporation.²⁸
- (2) Every Director shall disclose to the designated person or the Board any conflict of interest that the Director may have and is aware of. No Director may vote on a matter where the Director has a conflict of interest. Should a conflict of interest arise or come to his or her knowledge during the meeting, the Director shall immediately declare his or her conflict and leave the meeting until discussion on the item in question is concluded.
- (3) Where a Director has disclosed to the designated person any conflict of interest or any interest or directorships or other positions it holds in accordance with any policies or guidelines applicable to Directors that may give rise to a conflict of interest, the designated person may inform the meeting of the conflict of interest, whether actual, apparent or potential. If the meeting is not already informed of the actual, apparent or potential conflict of interest, the Director should then inform the meeting of such interest.
- (4) Where there is a potential, apparent or actual conflict of interest of any Director in relation to any matter to be brought in the agenda of which the Chairperson is aware, the Chairperson may arrange to have any Director's copy of any materials provided to the Board for the meeting expunged as seems reasonably necessary to prevent the Director receiving any non-public information bearing on the matter.

²⁸ Subsection 12(1)(b) of the Act provides that the Board may make such by-laws as are necessary or expedient in relation to the administration, management, control, business, assets and affairs of the Corporation, including the conflict of interest in respect of serving directors, officers and employees of the Corporation and those directors, officers and employees who have left the service of the Corporation



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PART 7 – PROTECTION OF DIRECTORS AND OFFICERS

7.1 Liability to the Individual

A present or former Director, Officer, employee or agent of the Corporation shall not be liable to the Corporation, whether jointly, jointly and severally or otherwise, for any loss, damage or expense suffered or incurred by it as a result of any neglect or default of any other present or former Director, Officer, employee or agent.

7.2 Indemnification

Subject to the provisions of the law and provided he or she has acted in good faith, each Director, Officer, employee or agent of the Corporation shall be entitled to be indemnified against all costs, charges, losses, expenses and liabilities suffered and incurred by him or her in the execution of his or her duties or in relation thereto.

7.3 Claims for Indemnification

- (1) If a present or former Director, Officer, employee or agent claims indemnification against costs, charges and expenses incurred in respect of an action or proceeding to which he or she is a party, the Corporation will pay the same on behalf of or reimburse the individual as and when incurred, or if so requested, make one or more advances to the individual or for his or her account in order to pay such costs, charges and expenses, provided that:
 - (a) in the opinion of the Board, there is no substantial reason to doubt that the individual is entitled to be indemnified, and
 - (b) the individual agrees that the Corporation shall be entitled to any costs, charges and expenses which the individual recovers from any other person.
- (2) The Corporation will have a policy setting out the circumstances under which such individual if at all would qualify for an advance or funding with regard to such costs, charges and expenses.



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- (3) The benefits of this Part shall enure to the heirs, executors, administrators and legal personal representatives of a present or former Director, Officer, employee or agent.

PART 8 – EXECUTION OF DOCUMENTS

8.1 Authorities

Subject to the requirements in law for the use of the common seal and with the exception of any guarantees, indemnities or similar commitments relating to the exercise of any of the Corporation's powers in relation to an intervention and failure resolution of a member institution, contracts for the purchase or other acquisition of property or services, or for the disposition or supply of property or services, by the Corporation, guarantees, indemnities and similar commitments by the Corporation, cheques and other negotiable or non-negotiable orders for payment issued or received by the Corporation and promissory notes, bonds, debentures and other negotiable or non-negotiable promises of payment made or received by the Corporation may be signed or endorsed on behalf of the Corporation by its employee(s) in accordance with Board-approved policies and subject to Board-approved limits.²⁹

8.2 Signatures by Proxy and Delegation

- (1) If the occasion requires, the Chief Executive Officer may designate another employee to sign a document or instrument (not being of a contractual nature contemplated in paragraph 8.2(2) below) in his or her name and such designation will be in writing.
- (2) Where the Chief Executive Officer is authorised under any Board-approved policy or resolution to execute any document or instrument not requiring the affixation of the common seal, the Chief Executive Officer, may, in writing, delegate the signing of any particular document or instrument in respect of the transaction in question to any Officer of the Corporation.
- (3) Unless specifically provided otherwise, any other Officer may sign any document or instrument (not being of a contractual nature contemplated in

²⁹ See for instance the Procurement, Contracting And Outsourcing Policy

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paragraph 8.2(2) above) in his or her own name in the course of performance of his duties and responsibilities.

8.3 Facsimile Signatures

The signature of an individual on a document or instrument to be signed on behalf of the Corporation may, subject to the written authorisation of the individual in question, be affixed manually or printed, stamped, engraved, lithographed or otherwise electronically reproduced.³⁰

8.4 Common Seal and Facsimile Seal

- (1) The common seal shall be used with the authority of the Board and every document or instrument to which the common seal is affixed shall be signed by a Director and shall be countersigned by the secretary or by a second Director or by some other person appointed by the Board.³¹
- (2) The Board may provide for a facsimile seal and may authorise the signature of any Director or secretary be produced by printing or other mechanical means.³²
- (3) Every deed, document or instrument to which a facsimile seal is affixed and signed by a Director and secretary by printing or other mechanical means shall have the same force and validity as if the common seal had been affixed to such instrument and such instrument had been signed in accordance with paragraph 8.4(1).
- (4) The common seal and facsimile seal shall be kept in a safe place in the custody of the secretary or in the custody of such other person as may be authorised by the Board.³³
- (5) The Corporation will maintain a register of all deeds, documents or instruments to which a common seal has been affixed including by facsimile seal.

³⁰ Subsection 5(2) of the Act provides that the Board may provide for a facsimile seal and may authorise the signature of any director or secretary be produced by printing or other mechanical means

³¹ Subsection 5(3) of the Act

³² Subsection 5(2) of the Act provides that the Board may provide for a facsimile seal and may authorise the signature of any director or secretary be produced by printing or other mechanical means

³³ Section 5(6) of the Act



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- (6) The seal, an impression of which appears as the Schedule to this By-law, is the common seal of the Corporation.

PART 9 – ACCOUNTS AND AUDIT

9.1 Accounts and Audit

- (1) The Directors shall cause accounting records to be kept in accordance with the Act.³⁴
- (2) The accounts of the Corporation shall be audited by the Auditor General.³⁵
- (3) The Directors shall, in accordance with the Act, cause to be prepared and transmitted to the Minister of Finance such annual accounts and annual reports as are required by the Act to be so prepared and transmitted,³⁶ for tabling by the Minister of Finance at the Dewan Rakyat and Dewan Negara.

PART 10 – REVIEW OF BY-LAW

10.1 Annual Review

- (1) The Chief Executive Officer shall undertake a review of this By-law, or cause the Corporate Secretary to do so, and shall report to the Governance Committee the outcome of the review at least every three (3) years.
- (2) Notwithstanding the above, if in any year the Chief Executive Officer is of the view that recommendations for change to the Corporate By-Law is needed, the Chief Executive Officer will bring forward proposals to the Governance Committee and the Governance Committee will bring forward recommendations for change, if any, to the Board.

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³⁴ Section 32 of the Act which cross-refers to the Statutory Bodies (Accounts and Annual Reports) Act 1980

³⁵ Section 33 of the Act

³⁶ Section 34 of the Act requires the Corporation, within three (3) months from the close of its financial year, transmit a copy of the annual accounts certified by the Auditor General and an annual report on the working of the Corporation throughout the year to the Minister, who shall, as soon as possible, cause them to be laid before the Dewan Negara and the Dewan Rakyat



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SCHEDULE

Common Seal

The seal, an impression of which appears below, is the common seal of the Corporation.

[SEAL]