

CONSTITUTION

PERSATUAN SYARIKAT PERINDUSTRIAN BEBAS, PULAU PINANG (THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION)

CLAUSE 1 NAME

1. The Association shall be known as

PERSATUAN SYARIKAT PERINDUSTRIAN BEBAS, PULAU PINANG (THE FREE INDUSTRIAL ZONE, PENANG, COMPANIES' ASSOCIATION)

Hereinafter referred to as "the Association".

2. Meaning of name : **This Association shall also be known as FREPENCA.**
3. Level : **Negeri**

CLAUSE 2 ADDRESS

1. The registered address is

**1ST FLOOR, 2 LEBUH PANTAI,
10300 GEORGE TOWN
PULAU PINANG**

or at such other place as may from time to time be decided by the Committee; and the postal address is

**1ST FLOOR, 2 LEBUH PANTAI
10300 GEORGE TOWN
PULAU PINANG**

2. The registered and postal addresses shall not be changed without the prior approval of the Registrar of Societies.

CLAUSE 3 OBJECTIVE

3.1 To maintain and improve communications and relationships amongst its members in matters of mutual interest as well as with the Government and its agencies.

3.2 To foster community welfare and cultural activities and to promote positive attitudes toward industrial workers.

3.3 To disseminate to its members information concerning the actions and decisions of the Government and its agencies.

3.4 To increase the awareness and understanding of its members regarding policies, procedures and problems of the Government and its agencies.

3.5 To foster and promote through its existence the basis for transfer of technology, skills and expertise to citizens of Malaysia in keeping with the country's aspirations for development.

CLAUSE 4 MEMBERSHIP

4.1 Full Membership: Any company shall be eligible for Full Membership provided it has operations in the following Industrial Estates promoted by the Penang Development Corporation:-

- (a) Penang Free Industrial Zones
- (b) Bayan Lepas Industrial Park

or operates in Penang under the Free Industrial Zone Act, having a bonded warehouse. Any such company shall be represented in the Association by its Chief Executive Officer.

4.2 Associate Membership: Any company shall be eligible for Associate Membership provided it has a substantial commercial interest in the activities of the Full Members. Such companies can become Associate Member only by a majority vote of the Full Membership. Any such company shall be represented in the Association by its Chief Executive Officer. Associate Members may attend meetings and express their views but shall not be eligible to vote on any issue.

4.3 Honorary Membership: Any individual who is interested in the Association and supports its objectives but is not otherwise represented in the Association may be granted Honorary Membership by a majority vote of the Committee. Honorary Members may attend meetings and express their views but shall not be eligible to vote on any issue.

4.4 Every application for membership shall be proposed and seconded by two existing members and shall be forwarded to the Secretaries who shall, at the earliest opportunity, submit it to the Full Members for approval by a simple majority. Members need not state any reason for voting "No" to any new application.

4.5 Every applicant whose application has been approved shall, upon payment of the prescribed entrance fee and subscription, be admitted as a member of the

Association and shall be entitled to all the privileges of membership.

4.6 All members shall be supplied with a copy of the rules and constitution of the Association together with all amendments.

CLAUSE 5 RESIGNATION AND TERMINATION

Any member who wishes to resign from the Association shall give two weeks notice in writing to the Secretaries and Treasurers and shall pay all dues then owed.

CLAUSE 6 SOURCE OF INCOME

6.1 The entrance fee shall be RM150 for Full and Associate Members joining before 15 July 1978, and RM250 for Full and Associate Members joining after 14 July 1978. The monthly subscriptions for Full and Associate Members shall be RM50 per month with effect from 1st July 1980.

Honorary members need not pay any fees. All monthly subscriptions are however suspended for the period 1 March 1979 to 31 December 1979, and all members are not required to pay such subscriptions for this period. Thereafter, the Association is empowered to suspend or amend the rate of Members' subscriptions at its Annual General Meeting subject to majority vote.

6.2 All subscriptions shall be payable to the Secretaries and Treasurers six months in advance within seven days after the first of each January or July respectively.

6.3 Any member who allows his subscription arrears to exceed two months from January or July as the case may be shall receive a written notification, signed by or on behalf of the Secretaries and Treasurers and shall be denied the privileges of membership until he settles his account.

6.4 Any member who allows his subscription arrears to exceed three months from January or July as the case may be shall automatically cease to be a member of the Association.

6.5 The Committee shall have power to fix a re-entrance fee for any company who has allowed its membership to lapse through arrears.

6.6 Special subscriptions or levies for particular purposes may be raised from members by resolution of the General Meeting of the Association. If any member fails to pay such subscriptions within such period as may be resolved, the amount due shall be treated in the same way as arrears of subscriptions.

CLAUSE 7 **GENERAL MEETING**

7.1 The forum for the resolution of all questions regarding the operation of the Association shall be the General Meeting of its members. At least one third of the Full Members of the Association must be present at a General Meeting for its proceedings to follow and to constitute a quorum.

7.2 If half an hour after the time appointed for the meeting, a quorum is not present, the meeting shall be postponed to a date (not exceeding 14 days) to be decided by the Committee; and if a quorum is not present half an hour after the time appointed for the postponed meeting, the members present shall have power to proceed with the business of the day but they shall not have power to alter the rules of the Association or to make decisions affecting the whole membership.

7.3 An Annual General Meeting of the Association shall be held within 90 days after the close of each financial year on a date and at a time and place to be decided by the Committee. The business of the Annual General Meeting shall be:-

- (a) To receive the Committee's report on the working of the Association during the previous year;
- (b) To receive the Secretaries and Treasurers' report and the audited accounts of the Association for the previous year;
- (c) To vote on the roster of companies as set forth in section 8.3 and to appoint auditors for the ensuing year;
- (d) To deal with such other matters as may be put before it.

7.4 A preliminary notice of the Annual General Meeting stating the date, the time and the place, and calling for motions for discussions, motions for amendment of the Rules and nominations for the election of the Committee shall be sent by the Secretaries and Treasurers to all members not later than 14 days before the date fixed for the meeting.

7.5 The Secretaries and Treasurers shall send to all members at least 14 days before the meeting an agenda including copies of minutes and reports, together with the audited accounts of the Association for the previous year.

7.6 Nominations for officers and any matters which members feel to be important shall be presented during the General Meeting.

7.7 An Extraordinary General Meeting of the Association shall be convened:

- (a) whenever two or more Committee Members deem it desirable, or
- (b) at the joint request in writing of not less than one third of the

Full Members, stating the objects and reasons for such meeting.

7.8 An Extraordinary General Meeting requisitioned by Members shall be convened for a date within thirty days of the receipt of such requisition.

7.9 Notice and agenda for an Extraordinary General Meeting shall be forwarded by the Secretaries and Treasurers to all members at least 15 days before the date fixed for the meeting.

7.10 Paragraphs (7.1) and (7.2) of this rule regarding the quorum and the postponement of an Annual General Meeting shall apply also to an Extraordinary General Meeting, but with the proviso that if no quorum is present after half an hour from the time appointed for a postponed Extraordinary General Meeting requisitioned by Members, the meeting shall be cancelled and no Extraordinary General Meeting shall be requisitioned for the same purpose until after the lapse of at least six months from the date thereof.

7.11 The Secretaries and Treasurers shall forward to all Members a copy of the draft minutes of each Annual and Extraordinary General Meeting within 30 days after its conclusion.

CLAUSE 8 COMMITTEE

8.1 The Affairs of the Association shall be conducted by a committee of not more than seven Members, including the President, Vice-President and five Committee Members to be elected biennially by majority vote at the Annual General Meeting. These Committee Members shall be senior managers of companies holding Full Membership, appointed by those companies to represent them in the Association. At least one of the Committee Members shall be elected from the Full Members who are located at the mainland of Penang. In the event that no nomination is received for the post of Committee Member to represent the members from the mainland, the elected Committee is empowered to fill the vacancy by appointing a Committee Member from among the Full Members from the mainland.

8.2 The Committee Members shall hold office for two years and are eligible for re-election.

8.3 A roster of member companies shall be established and approved by majority vote at the General Meeting. All Full Members shall appear on the roster unless they decline to participate as Committee Members.

8.4 As nearly as possible, the roster shall reflect the composition of the companies holding Full Membership so that at no time is it likely that any one industry is disproportionately represented on the Committee.

8.5 In the event that a Full Member company originally on the roster declines to serve or is unable to serve when its term from the roster comes due,

the next Member on the roster will be asked to serve that term.

8.6 The Annual General Meeting will be convened during the month of February. The roster then in effect will have added to it the names of any new member companies. The sequence of companies may be altered if that is the vote of the majority but as far as possible every attempt must be made to ensure that every company who is willing to serve is represented for one term on the Committee before any other company may serve a second term.

8.7 In the event that a Committee Member is unable to complete his term, the company which he represents may appoint a replacement for the balance of his term. If they choose not to, the company which is next on the roster and whose senior management representative is eligible to serve on the Committee, shall be invited and appointed by the Committee Members to fill the unexpired term as well as the term that it was originally scheduled to fill.

CLAUSE 9 DUTIES OF OFFICE BEARERS

9.1 The function of the Committee is to organize and supervise the day-to-day activities of the Association and to make decisions on matters affecting its running within the general policy laid down by the General Meeting. The Committee may not act contrary to the expressed wishes of the General Meeting without prior reference to it and shall always remain subordinate to the General Meeting. It shall furnish a report to each Annual General Meeting on its activities during the previous year.

9.2 The Committee shall meet at least once every two months, and seven days notice of each meeting shall be given to the Members. The President acting alone, or not less than three of its Members acting together may call for a meeting of the Committee to be held at any time. At least one half of the Committee Members must be present for its proceedings to be valid and to constitute a quorum.

9.3 Where any urgent matter requiring the approval of the Committee arises and it is not possible to convene a meeting; the President may obtain such approval by means of a circular letter. The following conditions must be fulfilled before a decision of the Committee is deemed to have been obtained:-

(a) The issue must be clearly set out in the circular and forwarded to all Members of the Committee;

(b) At least three of the Members of the Committee must indicate that they are in favour of the proposal in order for it to be passed.

Any decision obtained by circular letter shall be reported by the President to

the next Committee Meeting and recorded in the minutes thereof.

9.4 Any member of the Committee who fails to attend two consecutive meetings of the Committee without satisfactory explanation shall be deemed to have resigned from the Committee

9.5 The Committee shall give instructions to the Secretaries and Treasurers and other officers for the conduct of the affairs of the Association. It may appoint such organisers and such staff as it deems necessary. It may suspend or dismiss any organiser or member of the staff for neglect of duty, dishonesty, incompetence, refusal to carry out the decisions of the Committee, or for any other reason which it deems good and sufficient in the the interest of the Association.

9.6 The President shall during his term of office preside at all General Meetings and all meetings of the Committee and shall be responsible for the proper conduct of all such meetings. He shall have the casting vote and shall sign the minutes of each meeting at the time they are approved. In the absence of the President, the Vice-President shall preside as Chairman at these meetings, and in the absence of both, the members present shall choose a Chairman from among themselves.

9.7 The Secretaries and Treasurers shall conduct the business of the Association in accordance with its rules, and shall carry out the instructions of the General Meeting and of the Committee. They shall be responsible for conducting all correspondence as directed by the Committee. They shall be responsible for keeping all books, documents and papers of the Association. They shall be responsible for the finances of the Association. They shall keep accounts of all its financial transactions and shall be responsible for their correctness.

CLAUSE 10 FINANCIAL PROVISION

10.1 Subject to the following provisions in this rule, the funds of the Association may be expended for any purpose necessary for the carrying out of its objects, including the expenses of its administration, the payment of salaries, allowances and expenses to its office-bearers and paid staff, and the audit of its accounts, but they shall on no account be used to pay the fine of any member who may be convicted in a court of law nor be expended in the form of a cash donation.

10.2 All cheques or withdrawal notices on the Association's account shall be signed by the Secretaries and Treasurers, and countersigned by the President or Vice-President.

10.3 The Committee shall have power to sanction expenditure in any 6 months' period of up to and including a cumulative sum of RM25,000 or 15% of the total cash, bank and fixed deposits balances of the Association as at 1 January of every

calendar year, whichever is lower. Any sum exceeding that figure shall not be incurred

without the prior sanction of a General Meeting of Members, except the remuneration of the Secretaries, Treasurers and Auditors. No one Committee Member shall be allowed to approve his own expenses.

10.4 Within 14 days after the end of each financial year, a statement of income and expenditure and a balance sheet for the year shall be prepared and audited by the Auditor/Auditors appointed under Rule 11. The audited accounts shall be submitted for the approval of the next Annual General Meeting and copies shall be made available at the Registered Office or place of meeting of the Association for the perusal of Members. The Association's financial year commences on the 1st January to 31st December annually.

CLAUSE 11 AUDITORS

11.1 The Annual General Meeting shall appoint as paid Auditor a qualified accountant (or firm of accountants) who shall not be a member of the Association. The Auditor thus appointed shall hold his appointment until he resigns or until his appointment is otherwise terminated by the General Meeting.

11.2 The Auditor/Auditors shall be required to audit the accounts of the Association for the year, and to prepare a report or certificate for the Annual General Meeting. He/They may also be required by the President to audit the accounts of the Association for any period within their tenure of office at any date, and to make a report to the Committee.

CLAUSE 12 PROPERTY ADMINISTRATOR

Not Applicable

CLAUSE 13 INTERPRETATION

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

13.2 Except where they are contrary to or inconsistent with the policy previously laid down by the General Meeting, the decisions of the Committee shall be binding on all members of the Association unless and until countermanded by a resolution of a General Meeting.

CLAUSE 14 ADVISOR / PATRON

Not Applicable

CLAUSE 15 PROHIBITION

15.1 The Association shall not entertain any matters relating to trade unions, wages, working conditions or work rules of the Member companies.

15.2 The Association will not be involved in nor will it support in any way, any political or religious activities.

15.3 The Association shall not engage in any illegal or morally offensive activities.

15.4 The Association shall not attempt to restrict or in any other manner interfere with the trade or prices or engage in any Trade Union activities as defined in the Trade Union Ordinance, 1959.

15.5 The Association shall not hold any lottery, whether confined to its Members or not, in the name of the Association or its Committee, Office-bearers or Member.

15.6 The Association is prohibited from having affiliation or connection with any society established outside the Federation.

CLAUSE 16 AMENDMENT OF CONSTITUTION

These Rules may not be altered or amended except by resolution of a General Meeting. Such alterations or amendments shall take effect from the date of their approval by the Registrar of Societies.

Application for any such alterations or amendments shall be made to the Registrar Of Societies within sixty (60) days from the date of approval by the General Meeting.

CLAUSE 17 DISSOLUTION

17.1 The Association may be voluntarily dissolved by a resolution of not less than three-fifths of the total membership.

17.2 In the event of the Association being dissolved as provided above, all debts and liabilities legally incurred on its behalf shall be fully discharged, and the remaining funds shall be disposed of in such manner as may be decided upon by a General Meeting.

17.3 The notice of the dissolution shall be given within 14 days of the dissolution to the Registrar of Societies.

CLAUSE 18 **FLAG, LOGO AND BADGE**

1. Flag
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 - Description
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2. Logo
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 - Description
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3. Badge
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 - Description
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