

RULES AND CONSTITUTION OF THE MALAYSIAN FURNITURE COUNCIL (MFC) MAJLIS PERABOT MALAYSIA

CHAPTER 1 - NAME

The name of the COUNCIL shall be known as "**MAJLIS PERABOT MALAYSIA**" or "**MALAYSIAN FURNITURE COUNCIL (MFC)**" hereinafter referred to as the COUNCIL.

CHAPTER 2 - REGISTERED ADDRESS & PLACE OF MEETING

The registered address of the COUNCIL shall be at: -

19A, 19th Floor, Menara PGRM,
8 Jalan Pudu Ulu, Cheras,
56100 Kuala Lumpur

The registered address shall not be changed without the prior approval of the Registrar of Societies. The place of meeting shall be held at the registered office of the COUNCIL, or any other place as may be decided by the Governing Committee.

CHAPTER 3 - OBJECTS

The objects of the COUNCIL shall be to represent the general interests of the furniture industry of Malaysia at the National, Regional and International levels and to provide a forum for discussion, consultation, cooperation and coordination with such Government, Private, Regional and International Organisations representing the furniture industry at their respective levels. For the purposes of its objects, the COUNCIL may carry out any of the following functions: -

- a. to represent to the Government the views of the industry on any matter affecting its interests.
- b. to make recommendations and provide information to members on matters of mutual or common interest such as market information, the promotion of trade, the marketing of furniture products, technological advances in machinery consequent upon the development of new products and processes.
- c. to recommend representatives for nomination or appointment by Government or Quasi-Government bodies to various Boards, Committees, Councils and Conferences.
- d. to arrange and organize such Conferences, Seminars, Study Groups, Trade Missions, Trade Exhibitions on its own volition or as may be requested by the members.
- e. to obtain representation or affiliation to Regional and International Organisations relating to the furniture industry activities and present to such organisations the views of Malaysian

furniture industry regarding such activities.

- f. to solicit funds (with the approval of the relevant authorities and the Registrar of Societies), in furthering the objects of the COUNCIL and to acquire movable or non-movable property and to dispose of any such property as may be considered expedient.
- g. to borrow from licensed banks, or financial institutions such funds as may be required in furthering the objects of the COUNCIL.

CHAPTER 4 - MEMBERSHIP

There shall be three (3) types of membership as follows: -

- a. Ordinary Members
- b. Associate Members
- c. Charter Members

Criteria for the three (3) types of membership as follows: -

a. Ordinary Members

All duly registered business Organisation or company domiciled in Malaysia whose main business is in the manufacturing or export of furniture shall be eligible to apply for Ordinary Membership. The Ordinary Member shall be entitled to vote and hold office in the Governing Committee. Those from the furniture components business admitted to membership before the amendment to this provision shall continue to be members of the COUNCIL.

In addition to the conditions stated above, the following requirements must also be fulfilled:

- i) The organisation or company must be a majority Malaysian- owned company with at least 51% of the company share be Malaysian owned or held.
- ii) The Main or Alternate Representative of the organisation or company to MFC shall only be a Malaysian citizen.

b. Associate Members

All duly registered organisations and businesses domiciled in Malaysia whose main activities are related to or supportive of the furniture industry or does not meet the requirements of Ordinary membership shall be eligible to apply for Associate Membership. The Associate Member shall not be entitled to vote and hold office.

c. Charter Members

All duly registered furniture associations in Malaysia whose members consist of furniture manufacturers or traders shall be eligible to apply for Charter Membership. The maximum number of Charter Members shall be fourteen (14) comprising one (1) Charter Member from each State and the Association of Malaysian Bumiputra Timber and Furniture Entrepreneurs (PEKA). The Charter Members shall each be entitled to nominate one (1) representative who shall upon being so appointed be entitled to hold office in the Governing Committee. The Charter Members shall each be entitled to nominate four (4) representatives to attend and vote at any General Meeting of the Council. Each

representative shall have one (1) vote at any General Meeting of the Council and such votes shall be cast by the representatives nominated.

- d. Every application for membership shall be proposed by one (1) existing member and shall be forwarded to the Honorary Secretary General of the COUNCIL who shall, at the first convenient opportunity, submit it to the Governing Committee for approval. The Governing Committee may at its discretion reject any application without assigning any reason therefore.
- e. Every applicant whose application has been approved as aforesaid shall, upon payment of the prescribed entrance fee and first yearly subscription be admitted as a member of the COUNCIL and shall be entitled to all the privileges of membership.
- f. All Members, irrespective of category shall have the responsibility to reply/respond to and support any of the COUNCIL's request for information or cooperation.
- g. The Governing Committee holds the right to determine and if necessary reclassify the type of membership applied for by prospective members when and if the need arises, and these members become responsible for all appropriate dues and fees applicable to their category.

CHAPTER 5 - ENTRANCE FEE, SUBSCRIPTION AND OTHER DUES

a. Ordinary Members

Entrance fee : RM 600-00 (non-refundable)
Subscription : RM 600-00 (annually)

b. Associate Members

Entrance fee : RM 600.00 (non-refundable)
Subscription : RM 600.00 (annually)

c. Charter Members

Entrance fee : No entrance fee shall be levied
Subscription : No Subscription fee shall be levied

- d. All annual subscriptions shall be payable to the COUNCIL not later than 31 December every year. The annual subscription for a new member shall be pro-rated in respect of the year in which it is admitted as a member of the COUNCIL.
- e. Any member who allows his annual subscription to be in arrears shall lose his privileges as a member of the COUNCIL and if he fails to pay his annual subscription for three (3) consecutive years, the Governing Committee shall have the sole and absolute discretion to terminate, suspend or otherwise deal with his membership as the Governing Committee may decide.
- f. Special subscriptions or levies for a particular purpose may be raised from members by resolution of the General Meeting of the COUNCIL. If any member fails to pay such subscription within such period as may be resolved, the amount due shall be treated in the same way as arrears of annual subscription.

- g. The Governing Committee shall have the right to revise all membership entrance fees, annual subscriptions and or any other dues or fees, as and when it deems necessary.
- h. Any new ordinary members who is a member of a duly registered furniture association in Malaysia and recognized as such by the Charter Members shall be exempted entrance fee.

CHAPTER 6 - RESIGNATION

Any member who wishes to withdraw from the COUNCIL shall give two weeks' notice in writing to the Honorary Secretary General and shall pay up all dues.

CHAPTER 7 - GENERAL MEETING

- a. The supreme authority of the COUNCIL is vested in a General Meeting. At least one half (1/2) of the membership (with voting right) of the COUNCIL or twice the total number of members of the Governing Committee, whichever is lesser, must be present at a General Meeting for its proceedings to be valid and to constitute to.
- b. 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 thirty (30) days to be decided by the Governing Committee. If a quorum is not present half an hour after the time appointed for the postponed meeting, the members present shall carry on with business of the day but they shall not have the power to alter the Rules and Regulations of the COUNCIL.
- c. An Annual General Meeting of the COUNCIL shall be held as soon as possible after the close of each financial year but not later than the 30th day of June on a date and a time and place to be decided by the Governing Committee.

The business of the Annual General Meeting shall be: -

- 1) To elect Annual General Meeting chairman and to confirm the minutes of the last Annual General Meeting and to deal with matters arising therefrom;
 - 2) To receive the Governing Committee's reports on the working of the COUNCIL during the previous year;
 - 3) To receive the Honorary Treasurer's report and audited accounts of the COUNCIL for the previous year;
 - 4) To elect a Governing Committee and to appoint auditor once for every election year and;
 - 5) To deal with such matters as may be put before it.
- d. A preliminary notice of the Annual General Meeting stating the date, time and place and calling for motions for discussion, motions for amendment of the Rules and nominations for the election of the Governing Committee (in the election year only) when due shall be sent by the Honorary Secretary General to all members not later than thirty (30) days before the

date fixed for the meeting, and this notice shall be prominently displayed at the registered address or place of meeting of the COUNCIL.

- e. Motions for discussion at the meeting and nominations for the election of Governing Committee (in the election year only) must be sent to reach the Honorary Secretary General not later than fourteen (14) days after the receipt of the preliminary notice.
- f. The Honorary Secretary General shall send to all members at least seven (7) days before the meeting an agenda including copies of minutes and reports, motions and nominations for the election of Governing Committee (in the election year only), together with the audited accounts of the COUNCIL for the previous year. Copies of these documents will also be made available at the registered address or place of meeting of the COUNCIL for the perusal of members.
- g. An Extraordinary General Meeting of the COUNCIL shall be convened:
 - 1) As the President requires it to do so;
 - 2) Whenever the Governing Committee deems it desirable to do so or more than one-half (1/2) of the members of the Governing Committee require it to do so;
 - 3) At the joint request in writing to the Honorary Secretary General of not less than one-third (1/3) of the Ordinary Members.
- h. An Extraordinary General Meeting requisitioned by members shall be convened for a date within thirty (30) days of the receipt of such requisition.
- i. Notice and agenda for an Extraordinary General Meeting shall be forwarded by the Honorary Secretary General to all members at least fifteen (15) days before the date fixed for the meeting.
- j. Paragraph (a) and (b) of this Chapter 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 canceled and no Extraordinary General Meeting shall be requisitioned for the same purpose until after a lapse of at least six (6) months from the date thereof.
- k. The Honorary Secretary General shall forward to all members a copy of the draft minutes of each Annual and Extraordinary General meeting as soon as possible after its conclusion.
- l. The notification regarding the Annual General Meeting, Meetings as well as other related announcements shall be disseminated through soft copy via whichever online digital platforms the COUNCIL deems the most appropriate.

CHAPTER 8 - GOVERNING COMMITTEE

- a. To carry out its object and function, the COUNCIL shall establish a Governing Committee consisting of one (1) member from each Charter Member and fourteen (14) members from

the Ordinary Members.

- b. The members of the Governing Committee, consisting of: -
 - 1) those nominated by the Charter Members shall automatically be appointed; and
 - 2) the fourteen (14) Ordinary Members shall be elected at an Annual General Meeting (in the election year only) held **every three (3) years**.
- c. The Governing Committee shall then elect from among themselves the following office bearers: -
 - 1) One (1) President
 - 2) One (1) Deputy President
 - 3) Eight (8) Vice Presidents
 - 4) The remaining Governing Committee members not holding office shall become Ordinary Committee Members
 - (i) The President shall have the power to appoint one (1) Honorary Secretary General, two (2) Deputy Honorary Secretary General and one (1) Honorary Treasurer and One (1) Deputy Honorary Treasurer from the remaining Governing Committee members not holding any of the offices referred to in the foregoing Chapter 8 para (c).
 - (ii) Such appointment shall be made by the President within fourteen (14) days of the election and communicated in writing to all Governing Committee members.
 - (iii) If the Honorary Secretary General or Deputy Honorary Secretary General or Honorary Treasurer or Deputy Honorary Treasurer is incapacitated from holding the post due to any reason, the President shall appoint a substitute from the Governing Committee members as soon as possible.
 - (iv) To allow the committee to appoint maximum of THREE (3) committee members. The appointees must be MFC members who are willing to serve the objective of the Council.
- d. The office bearers of the COUNCIL and every officer performing executive functions in the COUNCIL shall be Malaysian citizens.
- e. The office bearers shall hold office for a period of **three (3) years**. The Governing Committee member may return to the same office but the post of President of the COUNCIL shall not be held by the same person for more than two (2) consecutive terms.
- f. The function of the Governing Committee is generally to implement and supervise the activities of the COUNCIL and to make decisions on matters within the general policies laid down by the Annual General Meeting. The Governing Committee may not act contrary to the expressed wishes of the Annual General Meeting without prior reference to it and shall always remain subordinate to the Annual General Meeting. It shall furnish a report to each Annual General Meeting on its activities during the previous year.
- g. The Governing Committee shall meet at least once in every three (3) months and seven (7) days notice of each meeting shall be given to the members. The President acting alone, or

by request of not less than one third (1/3) of Governing Committee may call for a meeting to be held at any time. At least one-half (1/2) of the Governing Committee must be present for its proceedings to be valid and to constitute a quorum.

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

- 1) This issue must be clearly set out in the Circular and forwarded to all members of the Governing Committee.
 - 2) At least one half (1/2) of the members of the Governing Committee must indicate whether they are in favour or against the proposal.
 - 3) The decision must be by a majority vote. Any decision obtained by circular letter shall be reported by the Honorary Secretary General to the next Governing Committee Meeting and recorded in the minutes thereof.
- h. An alternate Committee Member may be appointed to attend the Committee Meeting in absence of any Committee members from his Organization or association.
- i. In the event of death or resignation or expulsion of: -
- 1) a Governing Committee member elected at the Annual General Meeting, the remaining Governing Committee members shall have the power to co-opt any Ordinary Member of the COUNCIL to fill the vacancy until the next Annual General Meeting; or
 - 2) a Governing Committee member appointed at the Annual General Meeting, the Charter Member to which the Governing Committee belongs to shall have the power to nominate a new representative and the new representative shall be deemed appointed to fill the vacancy until the next Annual General Meeting.
- j. The Governing Committee may appoint any number of staff to assist the Honorary Secretary General in the conduct of the affairs of the COUNCIL. The Governing Committee may suspend or dismiss any staff for neglect of duty, dishonesty, incompetence, and refusal to carry out the instruction of the Honorary Secretary General or any other which are contrary to the interest of the COUNCIL.
- k. The Governing Committee may form sub-committees in furthering the objects of the COUNCIL as and when necessary.
- l. Any Governing Committee member who fails to attend three consecutive meetings of the Governing Committee shall be deemed to have resigned from the Governing Committee.
- m. The Governing Committee may invite one or more advisers to attend any meeting of the Governing Committee or Committee meetings for the purpose of tendering advice.
- n. The Governing Committee shall have the powers to issue to its members, when the need

arises, licenses, certificates or similar and to charge accordingly fees that are to be determined by the Governing Committee, pertaining to our industry in line with prevailing governmental policies.

- o. The serving term of the office bearer of three (3) years as stated in Chapter 8 para (b) (1) and para (e) shall take into immediate effect during the 2023 – 2025 Governing Committee term and all succeeding elected GC thereafter. Consequently, the 2023- 2025 Governing Committee shall be serving until 2026 until a new GC has been elected.

CHAPTER 9 - DUTIES OF OFFICE-BEARERS

- a. The President shall, during his term of office, preside at meetings of the COUNCIL and its Governing Committee except the Annual General Meeting and shall be responsible for the proper conduct of such meetings; he shall be the official spokesman of the COUNCIL.
- b. The Deputy President shall act for the President during his absence.
- c. The Vice President shall act for the Principal Officers above him during their absence.
- d. The Honorary Secretary General shall carry out the functions of the COUNCIL in accordance with its Rules and Regulations and shall carry out the decisions and instructions of the Governing Committee. He shall be responsible for all correspondence, the custody of books documents, membership register, accounts and financial records. The Deputy Honorary Secretary General shall act for the Honorary Secretary General during his absence.
- e. The Honorary Treasurer shall be responsible for the financial affairs of the COUNCIL and he shall supervise the proper keeping of accounts and financial records and cause the accounts to be audited annually. The Deputy Honorary Treasurer shall act for the Honorary Treasurer during his absence.
- f. Other members of the Governing Committee shall assist the Principal Officers to carry out the objects of the COUNCIL.

CHAPTER 10 - FUNDS

- a. The funds of the COUNCIL may be expended for any purpose necessary for carrying out its objects, including the expenditure of its administration and meeting expenses.
- b. All monies, shall within seven (7) days of receipt, be deposited with a licensed Bank in the name of the COUNCIL.
- c. The President, Deputy President, Honorary Secretary General and the Treasurer shall be the signatories. All cheques or withdrawal notices on the COUNCIL's account shall be signed jointly by any two (2) of the signatories.
- d. Any expenditure exceeding One Hundred Thousand Ringgit (RM 100,000.00) at any one time shall not be incurred without the prior sanction of the General Meeting. Expenditure of RM 100,000.00 or less may be approved by the Governing Committee. The Authorized signatories shall approve expenditure RM 25,000.00 and below.

- d. Immediately after the end of each financial year, a statement of receipts and payment and a balance sheet for the year shall be prepared and audited by the auditors appointed under Chapter 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 COUNCIL for the perusal of members.

CHAPTER 11 - AUDITORS

- a. A registered audit firm shall be appointed by the Annual General Meeting as Auditor of the COUNCIL.
- b. The auditor shall be required to audit the accounts of the COUNCIL for the year and to prepare a report or Certificate for the Annual General Meeting. They may also be required by the President to audit the accounts of the COUNCIL for any period within their tenure of office at any date and to make a report to the Governing Committee. The financial year of the COUNCIL shall commence on first (1st) January each year.

CHAPTER 12 - DISCIPLINARY PROCEDURES

- a. Any member who acts or conducts himself in a manner which is inconsistent with or detrimental to the objectives of the Council shall be asked to show cause to the Governing Committee as to why disciplinary action should not be taken against him.
- b. The Governing Committee shall appoint a Disciplinary Subcommittee consisting three (3) Governing Committee Members including the President as the Chairman of the Disciplinary Subcommittee to evaluate his case and reply and subsequently recommend to the Governing Committee, the appropriate action to be taken.
- c. The Governing Committee shall, on the recommendation of the Disciplinary Subcommittee, decide on the appropriate action to be taken against the member and it shall have the powers to reprimand, suspend or expel any member.

CHAPTER 13 - PROHIBITIONS

- a. Introduction of immoral or criminal activities into the premises is strictly prohibited.
- b. The COUNCIL shall not hold any lottery.
- c. The COUNCIL shall not engage in any trade union activities.

CHAPTER 14 - AMENDMENT OF RULES

These Rules shall not be altered or amended except by resolution of an Annual General Meeting or an Extraordinary General Meeting. Such alterations or amendment shall take effect

from the date of their approval by the Registrar of Societies.

CHAPTER 15 - DISSOLUTION

- a. The COUNCIL may be voluntarily dissolved by a resolution of not less than three fifths (3/5) of the total membership.
- b. In the event of COUNCIL 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 off in such manner as may be decided upon by a General Meeting.
- c. Notice of dissolution shall be given to the Registrar of Societies within fourteen (14) days of the date of dissolution.

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