

STATE OF SABAH

I assent,

TUN DATUK SERI PANGLIMA HAJI AHMADSHAH BIN ABDULLAH,
Yang di-Pertua Negeri.

23RD FEBRUARY, 2009.

No. 1 of 2009

An Enactment to provide for the creation of the Sabah Development Corridor and for the establishment of the Sabah Economic Development and Investment Authority, and to provide for matters connected therewith or ancillary thereto.

ENACTED by the Legislature of the State of Sabah as follows:

PART I PRELIMINARY

Short title and commencement

1. (1) This Enactment may be cited as the Sabah Economic Development and Investment Authority Enactment 2009.

(2) This Enactment comes into operation on the date of its publication in the *Gazette*.

Interpretation

2. In this Enactment, unless the context otherwise requires –

“Authority” means the Sabah Economic Development and Investment Authority established under section 5;

“Government Entity” means the Government and any ministry, department, office, agency, local authority, commission, committee, board, council or other body, corporate or unincorporate, of the Government, whether established under written law or otherwise;

“Chief Executive” means the chief executive officer appointed under section 11 and includes any officer directed under section 11 (6) to perform the duties of the chief executive officer;

“Government” means the Government of the State of Sabah;

“Minister” means the Chief Minister;

“Sabah Development Corridor” means the project or projects determined by the Yang di-Pertua Negeri under section 4;

“State Financial Authority” shall have the same meaning assigned to it by the Financial Procedure Act 1957 [Act 61].

General assurances

3. (1) For the avoidance of doubt, nothing in this Enactment shall be construed as reducing or limiting the rights, powers, functions, jurisdiction, duties and responsibilities of the Government Entity.

(2) The provisions of this Enactment shall be read together with any written law relating to the Government Entity and shall not be in derogation from any of the rights, powers, functions, jurisdiction, duties and responsibilities conferred on the Government Entity under any such written law.

PART II
SABAH DEVELOPMENT CORRIDOR AND THE AUTHORITY

The Sabah Development Corridor

4. The Yang di-Pertua Negeri may, from time to time, determine by notification in the *Gazette*, the project or projects over which, the Authority shall perform its functions under this Enactment and such projects shall be collectively known as the “Sabah Development Corridor”.

The Authority

5. (1) A body corporate by the name of the “Sabah Economic Development and Investment Authority” is established.

(2) The Authority shall have perpetual succession and a common seal.

(3) The Authority may sue or be sued in its name.

(4) Subject to and for the purposes of this Enactment, the Authority may, upon such terms as the Authority deems fit –

(a) enter into contracts;

(b) incorporate companies or acquire interests in companies;

(c) invest its fund or other resources;

(d) acquire, purchase, take and hold movable and immovable property of every description;

(e) convey, assign, surrender, yield up, lease or sublease, demise, reassign, transfer, dispose of, or otherwise deal with, any movable or immovable property or any interest vested in the Authority;

(f) appoint agents, consultants and advisors; and

(g) do all things reasonably necessary or expedient or advantageous.

Objectives of the Authority

6. The objectives of the Authority are as follows:
- (a) to promote and accelerate the development of the Sabah Development Corridor into a leading economic region and a choice destination for investment, work and living; and
 - (b) to ensure that social development and sustainable development are kept as priorities whilst driving economic growth in the Sabah Development Corridor.

Functions of the Authority

7. The Authority shall perform the following functions:
- (a) to recommend to the Government or the Federal Government on all projects of potential economic growth and opportunities to be included in the Sabah Development Corridor;
 - (b) to disburse funds received from the Government or the Federal Government for the Sabah Development Corridor to the relevant implementing Government Entities;
 - (c) to coordinate the expeditious implementation of all projects in the Sabah Development Corridor by performing the functions of one-stop centre;
 - (d) to monitor and report to the Government and the Federal Government the status of all projects in the Sabah Development Corridor;
 - (e) to promote and market the Sabah Development Corridor as an attractive business and investment location;
 - (f) to recommend to the Government or the Federal Government incentives for the Sabah Development Corridor;
 - (g) to recommend to the Government or the Federal Government on policy reforms and other initiatives for the Sabah Development Corridor;

- (h) to source funds for the Sabah Development Corridor; and
- (i) to do all things as are expedient, advantageous or necessary for, or incidental, supplemental or consequential to, the performance of the functions of the Authority and the better carrying out of the purposes of this Enactment.

Membership of the Authority

8. (1) The Authority shall consists of the following members:
- (a) a Chairman, who shall be the Chief Minister;
 - (b) two Deputy Chairmen, who shall be appointed by the Minister;
 - (c) State Secretary;
 - (d) Secretary General of the Federal Ministry of Finance or his representative;
 - (e) Permanent Secretary of the State Ministry of Finance;
 - (f) Director General of the Federal Economic Planning Unit or his representative;
 - (g) Director of the State Economic Planning Unit; and
 - (h) not more than five other members to be appointed by the Minister.
- (2) The Chief Executive shall be the Secretary to the Authority.
- (3) The provisions of the First Schedule shall apply to the Authority.
- (4) The Authority may, from time to time, by order published in the *Gazette*, amend the First Schedule.

The Authority may establish committees

9. (1) The Authority may, from time to time, establish such committees on such terms as it considers necessary or expedient to assist the Authority in the performance of its functions and duties under this Enactment.

(2) The Authority may elect any of its members to be the chairman of any committee.

(3) The Authority may appoint any person to be a member of any committee.

(4) Membership of a committee established under subsection (1) may include one or more individuals from private sector.

(5) The provisions of the Second Schedule shall apply to a committee.

(6) The Authority may, from time to time, by order published in the *Gazette*, amend the Second Schedule relating to a committee.

Delegation of the Authority's functions and duties

10. (1) The Authority may, in writing, delegate any of its functions and duties to –

(a) the Chairman;

(b) a member of the Authority;

(c) a committee;

(d) the Chief Executive; or

(e) an officer of the Authority.

(2) The Chairman, a member of the Authority, a committee, the Chief Executive or an officer of the Authority, as the case may be, delegated with such function or duties shall be bound to observe and have regard to all conditions, restrictions and other requirements imposed by the Authority and all procedures and matters specified by the Authority.

(3) Any function or duties delegated under this section shall be performed and exercised in the name and on behalf of the Authority.

(4) A delegation under this section shall not preclude the Authority itself from performing or exercising at any time any of the delegated functions or duties.

PART III
CHIEF EXECUTIVE, OFFICERS AND SERVANTS OF THE
AUTHORITY

The Chief Executive

11. (1) The Authority shall appoint a Chief Executive on such terms and conditions as the Authority thinks appropriate.

(2) The Chief Executive shall be responsible for –

- (a) the general conduct, administration and management of the functions, activities and day to day affairs of the Authority;
- (b) the performance of such functions and exercise of such duties as delegated by the Authority; and
- (c) the carrying out of the decisions of the Authority.

(3) The Chief Executive shall have general control of the officers and servants of the Authority.

(4) The Chief Executive shall perform such other duties as the Authority may, from time to time, direct.

(5) In discharging his duties, the Chief Executive shall act under the general authority and direction of the Authority.

(6) If the post of the Chief Executive is vacant or the Chief Executive is temporarily absent from Sabah or is temporarily incapacitated through illness or for any other reasons from the performance of his duties, the Authority may direct any officer of the Authority to

perform the duties of the Chief Executive during such vacancy, temporary absence or incapacity.

Employment of officers and servants of the Authority

12. (1) The Authority shall establish a scheme of service and may, from time to time, employ such number of officers and servants as the Authority thinks desirable and necessary to such scheme of service and upon such terms, including terms as to remuneration, allowances and other expenses as the Authority considers appropriate, for carrying out the purposes of this Enactment.

(2) No person shall be eligible for employment as an officer or servant of the Authority if he has, directly or indirectly, by himself or through any person or third party, any share or interest in any contract or proposed contract with, for or on behalf of the Authority.

Financial assistance to the Chief Executive, officers, servants and other persons

13. The Authority may provide –

- (a) payment of retirement benefits, gratuities and other allowances as the Authority may determine to the Chief Executive, the officers and servants of the Authority;
- (b) subsidies, grants, financing or credit facilities, with or without interest, for purpose of housing or vehicle purchase, and other compassionate financing or loans, to the Chief Executive, officers and servants of the Authority;
- (c) subsidies, grants, financing or credit facilities, with or without interest, for medical purposes to the Chief Executive, officers and servants of the Authority, and their dependents;
- (d) financing or credit facilities, with or without interest, for educational purposes or scholarships to the Chief Executive, officers and servants of the Authority or any other person; and
- (e) donations to any person,

on such terms and conditions as the Authority may determine.

PART IV
FINANCE

The Fund

14. (1) A fund to be known as the “Sabah Economic Development and Investment Authority Fund” to be administered and controlled by the Authority is established.

(2) The Fund shall consist of –

- (a) any revenues obtained or received by the Authority;
- (b) any grant provided or loans and advances made to the Authority by the Government or the Federal Government for the Sabah Development Corridor;
- (c) such funds as may be specifically allocated to the Authority to be disbursed to the relevant implementing Government Entities for the Sabah Development Corridor;
- (d) such sums as may be appropriated from time to time for the purposes of the Authority;
- (e) any income or revenue derived or obtained by the Authority from the sale or disposal of any assets of the Authority, or in the discharge of its functions and exercise of its duties under this Enactment;
- (f) any donation or contribution from whatever source provided to or given to the Authority; and
- (g) any other sums or funds which may in any manner become payable to or vested in the Authority in respect of any matter incidental to its functions and duties.

Expenditure to be charged on the Fund

15. The Fund shall be expended for the following purposes:

- (a) disbursing funds received from the Government or the Federal Government to the relevant implementing Government Entities for the Sabah Development Corridor;
- (b) performing or discharging the functions and duties of the Authority;
- (c) paying for the remuneration, allowances or other expenses of members, the Chief Executive, officers and servants of the Authority;
- (d) undertakes approved and lawful investments, and acquisition of shares or interest in companies or property movable or immovable for the purpose of this Enactment; and
- (e) paying any other expenses lawfully incurred in the discharged or performance of its functions and duties under this Enactment.

Expenditure and preparation of estimates

16. (1) The expenditure of the Authority for any one year shall be defrayed out of the Fund.

(2) Before the beginning of September of each year or at any other date specified by the Government and the Federal Government, the Authority shall submit to the Government and the Federal Government an estimate of the expenditure, including the expenditure for the Sabah Development Corridor, for the following year in such form and containing such particulars as maybe directed.

(3) The Government and the Federal Government shall notify the Authority of the amount authorized for expenditure generally or of the amounts authorized for each description of expenditure.

(4) The Authority may at any time submit to the Government and the Federal Government a supplementary estimate of its expenditure for any one year and the Government and the Federal Government may allow the whole or any part of the additional expenditure included in the supplementary estimate.

Time limit for submission of accounts for auditing

17. (1) The Authority shall keep or shall cause to be kept proper accounts and other records in respect of its expenditure in accordance with generally accepted commercial accounting principles and practices and shall cause to be prepared a statement of its accounts in respect of each financial year and shall, not later than the 31st day of July of each year or such extension thereof as may be granted in writing by the State Financial Authority pursuant to section 18, submit its accounts for the preceding financial year to the Auditor-General for audit.

(2) A copy of the statement of accounts in subsection (1) shall also be sent by the Authority to the State Financial Authority within the same period provided therein.

(3) The Auditor-General shall cause the statement of accounts to be audited, and may authorize any person appointed by him to undertake, at the expense of the Authority, the audit of the statement of accounts on the Auditor-General's behalf or under his directions.

(4) The provisions of the Audit Act 1957 [Act 62] shall apply to the audit of the accounts of the Authority.

(5) The State Financial Authority may, from time to time, issue directions and instructions to the Authority regarding –

- (a) the manner in which books and accounts shall be kept;
- (b) the form in which statements of accounts shall be submitted for audit;
- (c) the accounting policies and principles to be followed; and
- (d) the keeping and disposal of accounting records.

Application for extension of time limit

18. (1) Where the Authority is unable to submit its accounts for the preceding financial year for audit not later than 31st day of July of each year, it shall, before the expiry such time limit, apply in writing to the State Financial Authority for an extension of thereof setting out the reasons or grounds in support of such application.

(2) Where the Authority applies under subsection (1) for an extension of the time limit for the submission of its accounts for audit, the State Financial Authority, if satisfied with the reasons or grounds for the application, may grant such extension of the time limit as may be deemed necessary but such extension shall not in any case exceed a period of three months in the aggregate in respect of each financial year, and the Authority shall then submit its statement of accounts for audit within the time limit as extended.

Submission of report to the Government and the Federal Government

19. (1) The Authority shall, in respect of each financial year and within one month after the receipt of its audited statement of accounts and the Auditor-General's report thereon, if any, submit the same to the Government and the Federal Government together with a report of its activities.

(2) Where the Auditor-General has in his report pointed out any discrepancy, irregularity and abnormality in the accounts of the Authority, the Chief Executive shall submit, with the Auditor-General's report, an explanation for each discrepancy, irregularity and abnormality and the action taken or would be taken by the Authority to rectify the same to the Government and the Federal Government.

(3) A copy of the report and explanation in subsections (1) and (2) shall also be sent by the Authority to the State Financial Authority who shall bring to the notice of the Government and the Federal Government any incompetence or repeated negligence on the part of the Authority in the discharge of its financial duties for the appropriate action to be taken.

Minister to cause audited statement of accounts to be laid before the Legislative Assembly

20. The Minister shall, as soon as may be practicable on receipt of the audited statement of accounts, the Auditor-General's report thereon, if any, and the report of activities of the Authority and the explanation by the Chief Executive under section 19, cause the same to be laid before the Legislative Assembly.

Financial year

21. The financial year of the Authority shall begin on 1 January and end on 31 December of each year.

PART V

OFFENCES AND PENALTIES

Offence for failure to disclose interest

22. Any member of the Authority who fails to disclose his interest as required under paragraph 7 of the First Schedule and any member of a committee who fails to disclose his interest as required under paragraph 6 of the Second Schedule commits an offence and shall, on conviction, be liable to a fine not exceeding twenty five thousand ringgit or to imprisonment for a term not exceeding two years or to both.

Obligation of secrecy

23. (1) Except for any of the purpose of this Enactment or for the purpose of any civil or criminal proceedings under any written law, no member of the Authority, member of a committee or person invited to attend any meeting of the Authority or any committee, or the Chief Executive, officer or servant of the Authority, shall disclose or cause any person to disclose any information which has been obtained by him in the course of his duties and which is not published in pursuant to this Enactment.

(2) Any person who contravenes subsection (1) commits an offence and shall, on conviction, be liable to a fine not exceeding twenty five thousand ringgit or to imprisonment for a term not exceeding two years or to both.

PART VI

GENERAL PROVISIONS

Returns, reports, accounts and information

24. (1) The Authority shall furnish to the Government and the Federal Government, and such public authority as may be directed by the Government and the Federal Government,

such returns, reports, accounts and information with respect to its property and activities as the Government and the Federal Government may, from time to time, require or direct.

(2) Without prejudice to the generality of subsection (1), the Authority shall, within six months after the end of each financial year, cause to be made and transmitted to the Government and the Federal Government and, if so directed by the Government and the Federal Government, to any other public authority a report dealing with the activities of the Authority during the preceding financial year.

(3) The report under subsection (2) shall be in such form and shall contain such information relating to the proceedings and policy of the Authority as the Government and the Federal Government may, from time to time, specify.

Protection against suit and legal proceedings

25. No action, suit, prosecution or other proceedings shall lie or be brought, instituted or maintained in any court against –

- (a) the Minister;
- (b) the Authority;
- (c) any member of the Authority, a committee, any member of a committee, the Chief Executive, any officer, servant or agent of the Authority; or
- (d) any other person lawfully acting on behalf of the Authority,

in respect of any act, neglect, default or omission done by the Authority or by him in good faith in carrying out the Authority's or his duties under this Enactment in such capacity.

Public Authorities Protection Act 1948

26. The Public Authorities Protection Act 1948 [Act 198] shall apply to any action, suit, prosecution or proceedings against the Authority or against any member of the Authority, a committee, any member of a committee or the Chief Executive or any officer, servant or agent of the Authority, in respect of any act, neglect, default or omission done by the Authority or by him in such capacity.

Public servants

27. Every member of the Authority, any member of a committee, the Chief Executive, any officer, servant or agent of the Authority, while discharging his duty under this Enactment as such member, Chief Executive, officer, servant or agent, shall be deemed to be a public servant within the meaning of the Penal Code [Act 574].

Power to make regulations

28. The Minister may make regulations, not inconsistent with the provisions of this Enactment, as may be expedient or necessary for the better carrying out of the provisions of this Enactment.

Dissolution

29. (1) The Yang di-Pertua Negeri may, by the order published in the *Gazette*, dissolve the Authority established under subsection 5 (1) and he shall in such order appoint and name a person or corporation to manage, administer, distribute or otherwise with the assets and liabilities of that Authority for the purposes of its dissolution.

(2) The person or corporation appointed under subsection (1) shall, in the performance of his duties, act in accordance with and give effect to the directions of the Yang di-Pertua Negeri and subject thereto, have all the powers conferred upon a liquidator appointed under the Companies Act 1965 [Act 125].

FIRST SCHEDULE

[Section 8]

Appointment, revocation and resignation

1. (1) The appointment of a member of the Authority under paragraph 8 (1) (b) of the Enactment shall be for such duration and on such terms as the Minister may determine.

(2) A member of the Authority appointed under paragraph 8 (1) (h) of the Enactment shall, subject to such terms as may be specified in his instrument of appointment, hold office

of a term not exceeding two years and is eligible for reappointment for a maximum period of three consecutive terms.

(3) The appointment of a member under paragraph 8 (1) (b) and (h) of the Enactment may at anytime be revoked by the Minister, without assigning any reason for the revocation.

(4) A member appointed under paragraph 8 (1) (b) and (h) of the Enactment may at any time resign his office by a letter addressed to the Minister.

Vacation of office

2. The office of a member of the Authority appointed under paragraph 8 (1) (b) and (h) Enactment is vacated –

- (a) if he dies;
- (b) if there has been proved against him, or he has been convicted on, a charge in respect of –
 - (i) an offence involving fraud, dishonesty or moral turpitude;
 - (ii) an offence under any law relating to corruption or under this Enactment;
or
 - (iii) any other offence punishable with imprisonment (in itself only or in addition to or in lieu of a fine) for more than two years;
- (c) if he becomes a bankrupt;
- (d) if he is of unsound mind or is otherwise incapable of discharging his duties;
- (e) if he absents himself from three consecutive meetings of the Authority without leave of the Chairman;
- (f) if his resignation is accepted by the Minister; or
- (g) if his appointment is revoked by the Minister.

Filling of vacancy

3. Where any person ceases to be a member of the Authority by reason of any of the provisions of this Enactment, another person shall be appointed in his place in accordance with the provision applying.

Meeting of the Authority

4. (1) The Authority shall meet at such times and places as the Chairman may determine.

(2) The Chairman shall preside at a meeting of the Authority or in the absence of the Chairman, the Deputy Chairman shall preside.

(3) The chairman who presides at a meeting of the Authority and five other members shall constitute a quorum at any meeting of the Authority.

(4) Subject to subparagraph (5), the chairman who presides at a meeting of the Authority and every member present at such meeting of the Authority shall be entitled to one vote.

(5) For the avoidance of doubt, in all meetings of the Authority, the vote of the chairman who presides at a meeting of the Authority shall be counted as one.

(6) Decisions of the Authority shall be made by majority vote of members present and entitled to vote at the relevant meeting.

(7) Notwithstanding subparagraph (6), if on a question to be determined by the Authority, there is an equality of votes, the chairman who presides at a meeting shall have a casting vote.

Authority may invite others to meetings

5. (1) The Authority may invite any other person to attend any meeting or discussion of the Authority for the purpose of advising the Authority on any matter under discussion, but any person so attending shall have no right to vote at the meeting or discussion.

(2) Any person invited to attend any meeting or discussion of the Authority under subparagraph (1) may be paid such allowances and other expenses as the Authority may determine.

Resolution without meetings

6. (1) A resolution is taken to have been passed at a meeting of the Authority if –
- (a) all members of the Authority have been informed of the proposed resolution, or reasonable efforts have been made to inform all members of the Authority of the proposed resolution; and
 - (b) without meeting, all of the members of the Authority indicate agreement with the resolution in accordance with the method determined by the Authority under subparagraph (2).
- (2) Subparagraph (1) applies only if the Authority –
- (a) decides that the subparagraph applies; and
 - (b) decides the method by which members of the Authority are to indicate agreement with the resolution.

Disclosure of interest

7. (1) Any member of the Authority who has or acquires a direct or indirect interest by himself, through a member of his family or his associate in relation to any matter under discussion or deliberation by the Authority shall disclose to the chairman presiding at the meeting of the Authority the fact of his interest and the nature of that interest.

(2) A disclosure under subparagraph (1) shall be recorded in the minutes of the meeting of the Authority in which the matter is discussed or deliberated and, after the disclosure, the member –

- (a) shall not be present in any discussion or deliberation, or decision of the Authority when the matter is discussed or deliberated, or decided upon; and

- (b) shall be disregarded for the purposes of constituting a quorum of the Authority when the matter is discussed, or deliberated or decided upon.
- (3) For the purposes of this paragraph –
- (a) “a member of his family”, in relation to a member of the Authority includes –
 - (i) his spouse;
 - (ii) his parent including a parent of his spouse;
 - (iii) his child including an adopted child or stepchild;
 - (iv) his brother or sister including a brother or sister of his spouse; and
 - (v) a spouse of his child, brother or sister; and
 - (b) “associate”, in relation to a member of the Authority means –
 - (i) a person who is a nominee or an employee of the member;
 - (ii) a firm of which the member or any nominee of his is a partner;
 - (iii) a partner of the member;
 - (iv) a trustee of a trust under which the member or a member of his family is a beneficiary; or
 - (v) any corporation within the meaning of the Companies Act 1965 [Act 125], of which the member or any nominee of his or a member of the member’s family is a director or has a substantial shareholding in the corporation.

Minutes

8. (1) The Authority shall cause minutes of all its meetings to be maintained and kept in a proper form.

(2) Any minutes made of a meeting of the Authority shall, if duly signed by the chairman presiding at such meeting, be admissible in evidence in all legal proceedings without further proof.

(3) Every meeting of the Authority in respect of the proceedings of which minutes have been made in accordance with subparagraphs (1) and (2) shall be deemed to have been duly convened and held and all members thereat to have been duly qualified to act.

Common seal

9. (1) The Authority shall have a common seal which shall bear such device as the Authority shall approve and such seal may be broken, changed, altered or made anew as the Authority may think fit.

(2) Until a seal is provided by the Authority, a stamp bearing the words the "Sabah Economic Development and Investment Authority" may be used and shall be deemed to be the common seal of the Authority.

(3) The common seal shall be kept in the custody of the Chief Executive or such officer of the Authority as may be authorized by the Chief Executive in writing, and shall be authenticated by the Chief Executive or such authorized officer; and all deeds, documents or other instruments purporting to be sealed with that seal, authenticated as specified in this subparagraph, shall, until the contrary is proved, be deemed to have been validly executed.

(4) Notwithstanding subparagraph (3), any document or instrument which if executed by a person who, not being a body corporate, would not be required to be under seal may in like manner be executed by the Authority; and any such document or instrument may be executed on behalf of the Authority by any officer or servant of the Authority generally or specially authorized by the Chief Executive in that behalf.

(5) The common seal of the Authority shall be officially and judicially noticed.

Validity of acts and proceedings

10. No act or omission done or proceedings taken by the Authority under this Enactment shall be questioned or invalidated on the ground of –

- (a) any vacancy in the membership of, or any defect in the constitution of, the Authority;
- (b) a contravention by any member of the Authority of the provisions of paragraph 7;
- (c) the presence or participation of a member or person not entitled to be present or participate; and
- (d) any omission, defect or irregularity not affecting the merit of the case.

Procedure

11. Subject to this Enactment, the Authority may regulate its own procedure.

Allowances

12. There may be paid to the members of the Authority such allowances or other expenses as the Authority may determine.

Members of the Authority to devote to business of the Authority

13. Every member of the Authority shall devote such time to the business of the Authority as may be necessary to discharge his duties effectively.

SECOND SCHEDULE

[Section 9]

Interpretation

1. In this Schedule, unless the context otherwise require –
- (a) “member of committee” means a member of a committee appointed under section 9 of the Enactment.
 - (b) “committee” means a committee appointed under section 9 of the Enactment; and

- (c) “chairman” means the chairman of the respective committee, and includes a member of a committee acting as chairman under subparagraph 3 (2).

Appointment, revocation and resignation

2. (1) A member of a committee shall hold office for such term as may be specified in his letter of appointment and is eligible for reappointment.

(2) In relation to a committee established under section 9 of the Enactment, the Authority may revoke the appointment of any member of the committee without assigning any reason for the revocation.

(3) Any member of a committee may at any time resign by giving a notice in writing to the minister.

(4) The Authority may at any time discontinue or alter the constitution of a committee.

Meeting of a committee

3. (1) A committee shall meet at such times and places as the chairman of the committee may determine.

(2) The chairman shall preside at a meeting of the committee or in the absence of the chairman, the members present at the meeting shall appoint a chairman from amongst them.

(3) The Chairman who presides at a meeting of a committee and two other members shall constitute a quorum of any meeting of a committee.

(4) Subject to subparagraph (5), the chairman who presides at a meeting of a committee and every member present at such meeting of the committee shall be entitled to one vote.

(5) For the avoidance of doubt, in all meetings of a committee the vote of the chairman who presides at a meeting of the committee shall be counted as one.

(6) Decisions of a committee shall be made by a majority of votes of members present and entitled to vote at the relevant meeting.

(7) Notwithstanding subparagraph (6), if on a question to be determined by a committee, there is an equality of votes, the chairman who presides at a meeting shall have a casting vote.

Committee may invite others to meetings

4. (1) A committee may invite any person to attend any meeting or discussion of the committee for the purpose of advising the committee on any matter under discussion, but any person so attending shall have no right to vote at the meeting or discussion.

(2) Any person invited to attend any meeting or discussion of a committee under subparagraph (1) may be paid such allowances or other expenses as the Authority may determine.

Resolution without meetings

5. (1) A resolution is taken to have been passed at a meeting of a committee if –
- (a) all members of the committee have been informed of the proposed resolution, or reasonable efforts have been made to inform all members of the committee of the proposed resolution; and
 - (b) without meeting, all of the members of the committee indicate agreement with the resolution in accordance with the method determined by the committee under subparagraph (2).
- (2) Subparagraph (1) applies only if a committee –
- (a) decides that the subparagraph applies; and
 - (b) decides the method by which members of the committee are to indicate agreement with the resolutions.

Disclosure of interest

6. (1) Any member of a committee who has or acquires a direct or indirect interest by himself, through a member of his family or his associate in relation to any matter under discussion or deliberation by the committee shall disclose to the chairman who presides at the meeting of the committee the fact of his interest and the nature of that interest.

(2) A disclosure under subparagraph (1) shall be recorded in the minutes of the meeting of the committee in which the matter is discussed or deliberated and, after the disclosure, the member –

(a) shall not be present in any discussion or deliberation, or decision of the committee, when the matter is discussed or deliberated, or decided upon; and

(b) shall be disregarded for the purposes of constituting a quorum of the committee when the matter is discussed or deliberated, or decided upon.

(3) For the purpose of this paragraph –

(a) “a member of his family”, in relation to a member of a committee includes –

(i) his spouse;

(ii) his parent including a parent of his spouse;

(iii) his child including an adopted child or stepchild;

(iv) his brother or sister including a brother or sister of his spouse; and

(v) a spouse of his child, brother or sister; and

(b) “associate”, in relation to a member of a committee means –

(i) a person who is a nominee or an employee of the member;

(ii) a firm of which the member or any nominee of his is a partner;

- (iii) a partner of the member;
- (iv) a trustee of a trust under which the member or a member of his family is a beneficiary; or
- (v) any corporation within the meaning of the Companies Act 1965 [Act 125], of which the member or any nominee of his or a member of the member's family is a director or has a substantial shareholding in the corporation.

Minutes

7. (1) A committee shall cause minutes of all its meetings to be maintained and kept in a proper form.

(2) Any minutes made of a meeting of a committee shall, if duly signed by the chairman presiding at the meeting, be admissible in evidence in all legal proceedings without further proof.

(3) Every meeting of a committee in respect of the proceedings of which minutes have been made in accordance with subparagraphs (1) and (2) shall be deemed to have been duly convened and held and all members thereat to have been duly qualified to act.

(4) A committee shall cause copies of the minutes of all its meetings to be submitted to the Authority as soon as may be practicable.

Validity of acts and proceedings

8. No act or omission done or proceedings taken by any committee under this Enactment shall be questioned or invalidated on the ground of –

- (a) any vacancy in the membership of, or any defect in the constitution of, the committee;
- (b) a contravention by any member of the Authority or committee of the provisions of paragraph 6;

- (c) the presence or participation of a member or person not entitled to be present or participate; and
- (d) any omission, defect or irregularity not affecting the merit of the case.

Procedure

9 Subject to this Enactment and any directions of the Authority a committee may regulate its own procedure.

Committee subject to directions of Authority

10. A committee shall be subject to and act in accordance with any direction given to the committee by the Authority.

Allowances

11. There may be paid to the members of a committee such allowances or other expenses as the Authority may determine.

Members of committee to devote time to business of the committee

12. Every member of a committee shall devote such time to the business of the committee as may be necessary to discharge his duties effectively.

CERTIFIED by me to be a true copy of the Bill passed by the Legislative Assembly on Thursday, the 15th day of January, 2009.

DATUK HAJI JUHAR BIN HAJI MAHIRUDDIN,

Speaker,

State Legislative Assembly.